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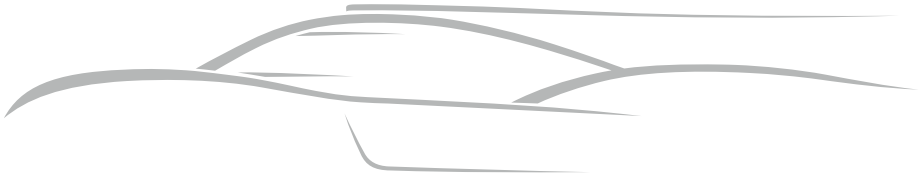

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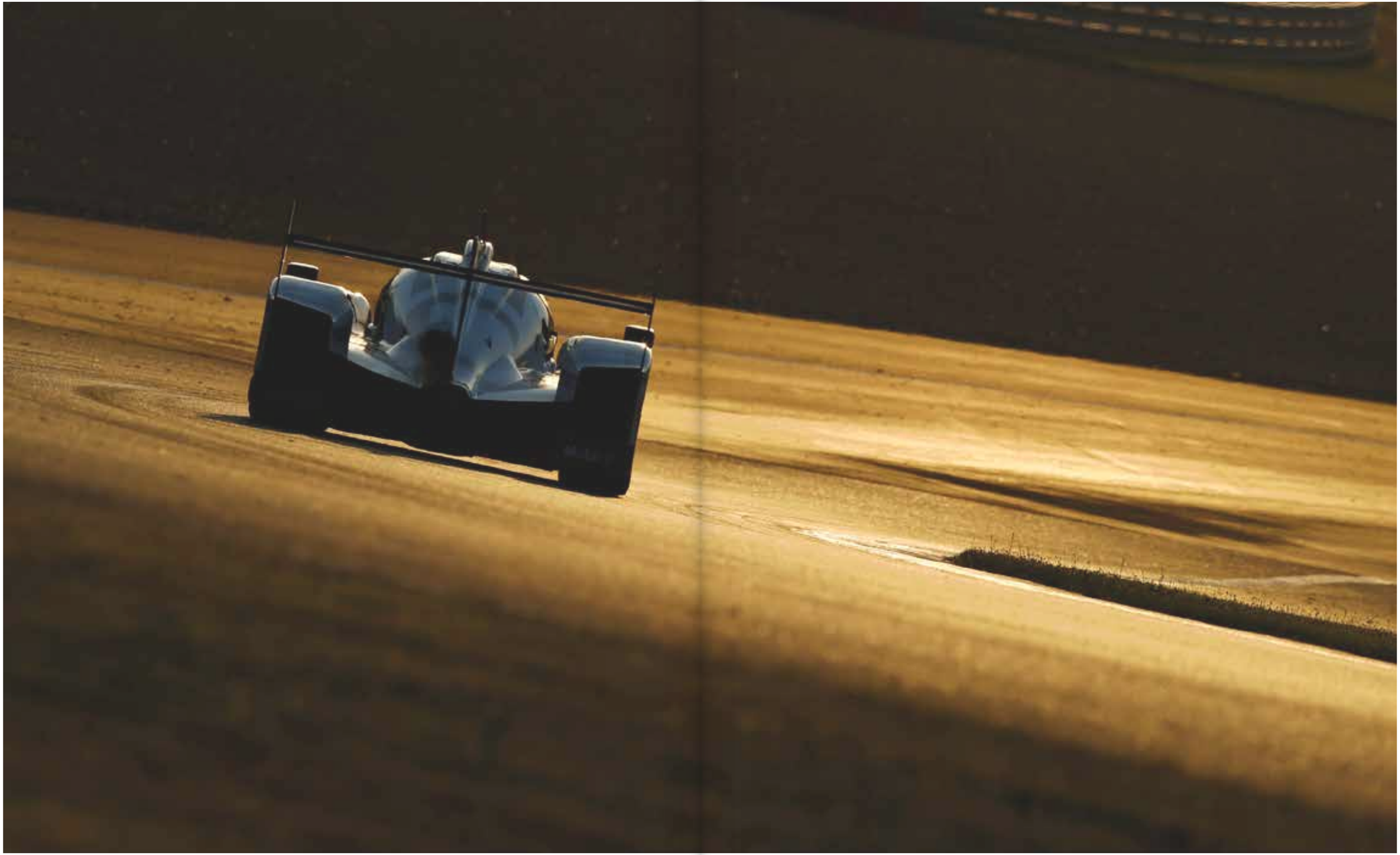


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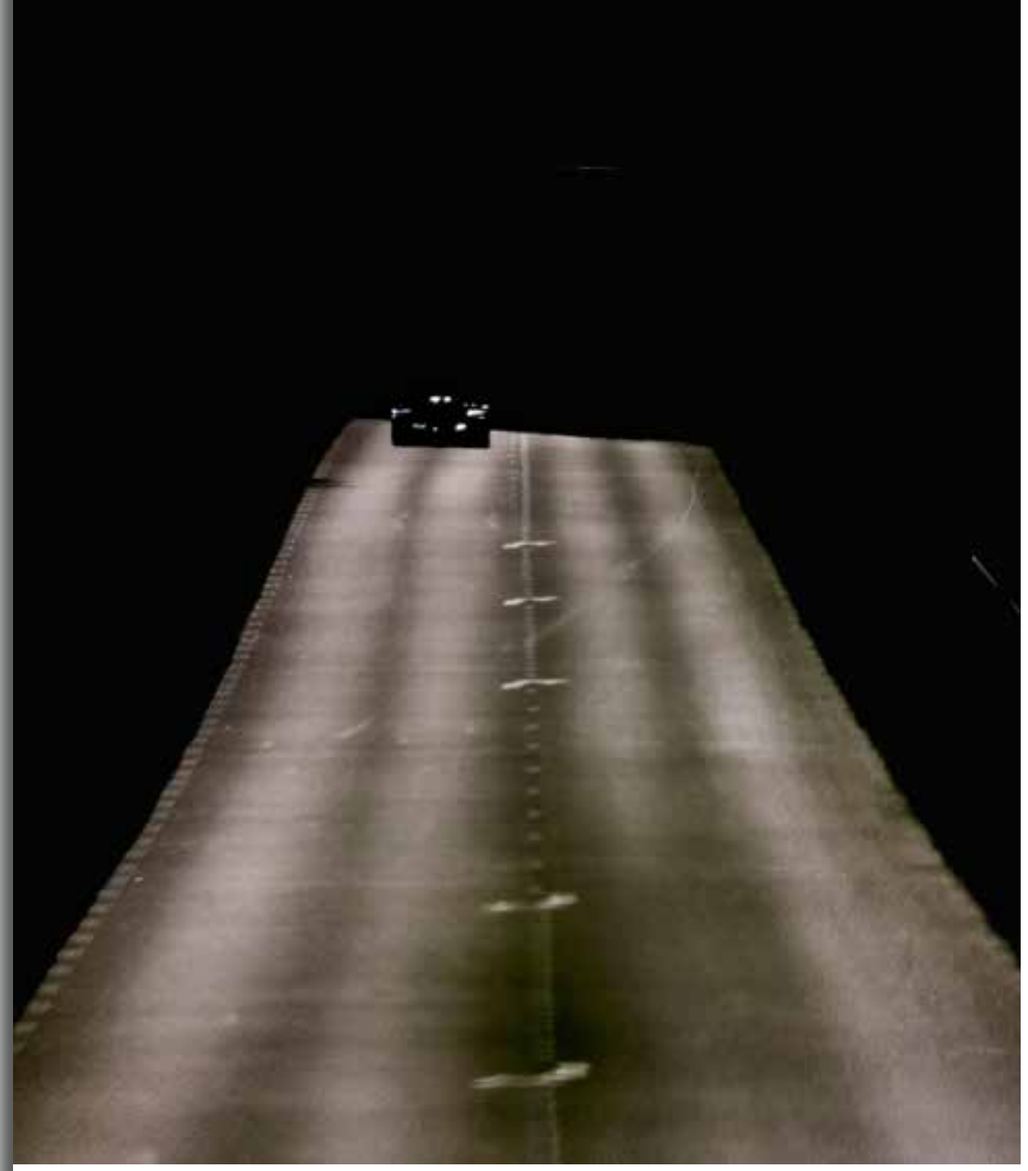
Carrera RS
S 964 RS

PERFORMANCE NEEDS NO WORDS.

YOU WILL RECOGNIZE IT.



PERFORMANCE NEEDS NO WORDS.

YOU WILL RECOGNIZE IT.

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LETTER FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

MATTHIAS MÜLLER
Chairman of the Executive Board

DEAR LADIES AND GENTLEMEN,

As each financial year comes to a close, I'm often asked about the top highlight for the year gone by. There were a variety of remarkable achievements from which to choose, yet the answer is an obvious one for me. The emotional climax came with Porsche's return to the world of high-end motorsports. After 16 years away from the competition, we developed the 919 Hybrid as our entrant in the "World Endurance Championship," all part of our "Strategy 2018." We got off to a furious start. In Le Mans, our 919 Hybrid was in second place before breaking down shortly the end of the race. The result was different in São Paulo, a race we won. In both cases, the entire team and I get caught up in every fiber of our being by the fascination that is motorsports.

Naturally we're all in for victory on the racing track. But the real goal is bringing the best-possible technology out onto the streets. Because Porsche welcomes the expectations among its customers that it will provide the most sporting and technologically advanced vehicles in every segment it serves. Our model strategy and the spectrum of models that we produce have in recent years served as a powerful signal about the future of Porsche as a company.

No vehicle incorporates this more than the 918 Spyder. Just a few months after we delivered the first of these highly innovative vehicles in March 2014, all 918 of the units of the supercar were already sold out. It achieved record times on Germany's fabled Nürburgring track yet consumed no more fuel than a compact car, letting our customers revel in unparalleled technological advancement and giving fans of our brand a new source of fascination.

This combination of technology and fascination is also in full force for our new Macan sport SUV. The vehicle creates an entirely new segment – the compact sport SUV – which in turn appeals to an entire new range of customers. The proof is in the Macan's sales figures: the Macan is the right vehicle for the right time. The strategic importance of the series cannot be overstated.

Despite all we're undertaking, we always remain true to our roots. Which means the 911 is and will remain our gold standard when it comes to sports car construction. We'll continue to improve this icon constantly. The evolution of sports car construction also applies for our two-seater series, Boxster and Cayman. We will continue with our consistent expansion of model diversity in these series. Between already-presented and future derivatives of our pure-blooded sports car, we offer our customers a maximum of individual driving pleasure.

We remain driven to push the limits of the technically feasible further than ever before. The fruit of these labours are unparalleled technology and market prominence. For example, Porsche was the only marque anywhere in the world to offer three plug-in models in the premium segment during 2014. The Cayenne S E-Hybrid was the first plug-in hybrid in the Premium-SUV-Segment; the Panamera S E-Hybrid, which had already been released onto the market, was the first plug-in hybrid vehicle in the luxury class; and the 918 Spyder supercar is loaded with more cutting-edge technology than any other car. These technology standard-bearers will benefit all future vehicles with the Porsche insignia on their hood.

Our engineers know today better than ever that efficiency is crucial for the sports cars of the future. Porsche will continue to pursue this path in future years. Our insights from motorsports will help us with this. For one thing is clear: the recipe for success in our vehicles is maximum energy efficiency. That's what's behind the "Engineered by Porsche in Weissach" label.

We can all look forward together to even more highlights to come from Porsche.

Stuttgart, March 2015

Yours faithfully,

Matthias Müller
Chairman of the Executive Board

THE EXECUTIVE BOARD

of the Dr. Ing. h.c. F. Porsche AG

from left
to right

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LUTZ MESCHKE
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DR. OLIVER BLUME
Production and Logistics

WOLFGANG HATZ
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Deputy Chairman
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MATTHIAS MÜLLER
Chairman of the Executive Board

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DR. WOLFGANG PORSCHE

Chairman of the Supervisory Board
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Diplomkaufmann

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Chairman of the general and group works council
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Chairman of the Zuffenhausen/Ludwigsburg/
Sachsenheim works council
Deputy chairman of the works council
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Lawyer in private practice

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Investment management

HANS-PETER PORSCHE

Ingenieur

PROF. DR. DR. H.C. MULT. MARTIN WINTERKORN

Diplom-Ingenieur
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Chairman of the board of management of Volkswagen AG
and member of the board of management of Volkswagen AG
Corporate Research and Development

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Betriebswirt
Member of the board of management of Volkswagen AG
Sales and Marketing

PROF. DR. RER. POL. HORST NEUMANN

Ökonom
Member of the board of management of Volkswagen AG
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Diplom-Wirtschaftsingenieur
Chief Financial Officer of Porsche Automobil Holding SE
Member of the board of management of Volkswagen AG
Finance and Controlling

DR. RER. POL. H.C. FRANCISCO JAVIER GARCIA SANZ

Betriebswirt
Member of the board of management of Volkswagen AG
Procurement

[1)] Employee representative

KAI BLIESENER[1)]

(until 18 July 2014)
General secretary of the Zuffenhausen
works council
Member of the general and group works
council of Dr. Ing. h.c. F. Porsche AG

WOLFGANG V. DÜHREN[1)]

(since 18 July 2014)
Head of Sales Planning

ANTONIO GIRONE[1)]

Deputy chairman of the
group works council
Member of the general works council
Member of the Zuffenhausen/Ludwigsburg/
Sachsenheim works council
Member of the works council of Porsche
Automobil Holding SE

JOCHEN HELD[1)2)]

(from 18 July 2014 to
13 November 2014)
Member of the group works council
and deputy chairman
of the general works council
Chairman of the Weissach works council
Member of the works council of Porsche
Automobil Holding SE

TANJA JACQUEMIN[1)]

(since 18 July 2014)
Section manager, company and
industry policy, Executive Board of
IG Metall

JÜRGEN KAPFER[1)]

(until 18 July 2014)
Project manager, drivetrain Boxster
model series

BERND KRUPPA[1)]

(until 18 July 2014)
Principal authorized representative
of the IG Metall trade union
administration, Leipzig

HANS-JÖRG LESCHEK[1)]

(until 18 July 2014)
Member of the Zuffenhausen/Ludwigsburg
works council

MANFRED PACHE[1)]

(since 13 November 2014)
Chairman of the Weissach works council
Deputy chairman of the
general works council
Member of the group works council
Member of the works council of Porsche
Automobil Holding SE

HANSJÖRG SCHMIERER[1)]

Manager responsible for members and
finances of IG Metall trade union, Stuttgart

PETER SCHULZ[1)]

Vice president of Human Resources,
Management and Production

WALTER UHL[1)]

(until 18 July 2014)
Deputy chairman of the general works
council of Dr. Ing. h.c. F. Porsche AG
Member of the group works council of
Dr. Ing. h.c. F. Porsche AG
Chairman of the Weissach works council
Member of the works council of Porsche
Automobil Holding SE

JORDANA VOGIATZI[1)]

(since 18 July 2014)
Press officer IG Metall
Administrative Office Stuttgart

WERNER WERESCH[1)]

(until 18 July 2014)
Member of the group works council
Member of the general works council of
Dr. Ing. h.c. F. Porsche AG
Head of shop stewards' committee
Deputy chairman of the
Zuffenhausen/Ludwigsburg/
Sachsenheim works council
Member of the works council of Porsche
Automobil Holding SE

AXEL WEYLAND[1)]

(since 18 July 2014)
Head of drivetrain division at Porsche
Engineering Services GmbH

[1)] Employee representative
[2)] Mr Jochen Held is temporarily unable to perform his duties as a member of the Supervisory Board due to health reasons. On 13 November 2014, Mr Manfred Pache was appointed by court order as a replacement member for the duration of Mr Held's absence due to illness.

ENERGY. CHARGED.

The future of the sports car has already begun. Point of origin: The Weissach think tank.

Porsche returned to high-end endurance motorsports in 2014 with its rolling research laboratory, the 919 Hybrid. Delivery of the 918 Spyder supercar kicked off at the same time. Both vehicles stand out for their ultra-modern, ultra-high-efficiency "Engineered in Weissach" technology. The Porsche Development Centre once again proved its prowess as a "think tank."

Top sports cars with innovative drive concepts:
Porsche 919 Hybrid and Porsche 918 Spyder

"I can't tell you what type of drive will be the dominant one 30 years or so from now. But I do know that Porsche is already working to find it now."

Wolfgang Hatz,
Member of the Executive Board –
Research and Development

Porsche never shies away from new roads, especially when it comes to creating the sports car of tomorrow, today. The latest example: the 918 Spyder. It features a complex drive train that differs from its classic predecessors in several important ways. First and foremost: it is designed from top to bottom for optimal energy efficiency. Electric motors on the front and rear axles supplement the combustion engine with an extra electric boost during acceleration. The power comes from lithium-ion batteries, although the system also recuperates a considerable portion during braking. The auxiliary front-wheel drive can be controlled separately and allows for a new driving strategy that keeps cornering safe at extremely high speeds. The ultimate result is optimized fuel consumption and unparalleled driving performance. Or, as Wolfgang Hatz sees it: "To be good at recapturing energy, you need to be not just economical, but fast as well."

Very fast even, or perhaps simply: the fastest. Such as on the North Loop of the

fabled Nürburgring race track. In logging an unreal time of six minutes, 57 seconds, the 918 Spyder announced its arrival in grand style. A new track record, 17 seconds better than the previous best for a production vehicle with street-legal tires.

"The 918 Spyder is a prototype made for the streets. No other vehicle on the market has more technology inside," Hatz says. "The 918 Spyder contains our collected knowledge – which is why it has kept us ahead of the competition."

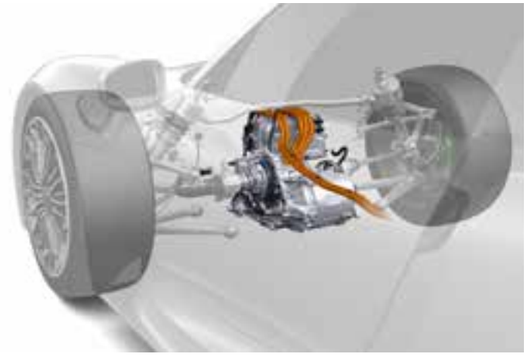
Porsche's collected knowledge, in one car? Yes – although even that inherently only reflects this brief moment in time. As the abbreviation in its formal name suggests, "Dr. Ing. h.c. F. Porsche AG" is first and foremost an engineering company. It's in the sports car maker's DNA to strive to produce the most sporting, technologically advanced vehicles on the market. An engineering company never rests. It drives constantly for improvement. So just a few months after Porsche celebrated the record drive by the 918 Spyder, the next technology-loaded vehicle already approached the starting line.

A spotlight on the 919 Hybrid. The LMP1-class racing car bumps the efficiency bar up by yet another few notches. It is the only racing car in the LMP1 field that recaptures energy during both braking and acceleration. It will be bringing this novel engineering feat into top level of the WEC (World Endurance Championship) competition: The regulations stipulate a maximum consumption level per racing lap, differentiated by drive concept. In 2014, the Le Mans organisers specified the threshold for the 919 Hybrid's category at just 4.79 l per lap. The 919 isn't just racing against the clock, it's also racing against the fuel gauge.

Only the most modern vehicle concepts can achieve that. The 919 Hybrid reached its efficiency target in full for the 2014 racing season. And, as Porsche has done so many times in the past, within a year of joining the top league the car had already claimed one victory and earned several additional trips to the podium. It's excellently positioned heading into the

"The 919 Hybrid comes from our Weissach Development Centre. All of the insights flow back to there and are then available for all model lines."

WOLFGANG HATZ
Member of the Executive Board – Research and Development



Sophisticated, compact: The additional electric motor on the 919 Spyder's front axle is a key part of the electric Porsche Traction Management (ePTM) system that gives the car even more traction and driving feel.

2015 racing season. "Even so, the 919 Hybrid is a rolling laboratory for series development. We benefit every time it hits the pavement. Every kilometre it travels produces data and experience for the future," says Hatz, Member of the Executive Board – Research and Development. "The 919 Hybrid comes from our Development Centre in Weissach. All of the insights flow back to there and are then available for all model lines."

TECHNOLOGY COSMOS WEISSACH

Weissach. Among car guys, the mere mention of the town's name perks up the ears – a bit like mentioning the Piemont to truffle fans. The Development Centre is a unique technology cosmos. Some 6,500 employees, 5,000 belonging to Porsche and 1,500 belonging to partner companies, work on a daily basis there in the areas of R&D, motorsports, purchasing and support fields. The buildings are placed close to one another, with narrow connecting streets snaking between them. The test track has a variety of dynamic and torture tracks, as well as a small but fine 2.8-km circular track. If you could distill the essence of Porsche and lay it down as pavement, this would be it: companies that build sports cars need to test on sport tracks. And because motorsports inherently involve a need for speed, those tracks are ideally placed near the R&D facilities.

All vehicles of the brand, whether intended for daily street use or racing competition, run through the different departments at the Weissach Development Centre (known as the EZW in German). Here is where work on the automobile of tomorrow never ends. As soon as one generation is finished, the next is already being set into motion. Parallel lines now allow for completely new models to be added to the portfolio, each of course with its own innovative technology. A programme oriented toward perpetual improvement as demanded by the philosophy of "Porsche Intelligent Performance."

ROLLING LAB OF AUTOMOBILE TECHNOLOGY

The drive concept of the 918 Spyder explores what is currently technologically possible to the fullest, harnessing these leaps into new features that move the overall bar well forward. Its independent all-wheel drive with an electric motor on the front axle is based on insights gained through competition experience with the 911 GT3 R Hybrid. The powerful lithium-ion battery can be recharged from a standard power charger, and can run up to 31 kilometres in pure electric mode. A re-developed "Boost" strategy provides intelligent management of energy levels for the electric drive and ensures that pushing the gas pedal to the floor at any time delivers the full 887 hp of accelera-

A prototype and a production vehicle: Porsche 918 Spyder.

tion. A series of computers and software direct the interplay of all components and bring to bear the company's substantial know-how – especially when driving to extremes: the 918 Spyder wouldn't be a Porsche if it didn't harness all of that technology into an outstanding ride. Hence the Nürburgring lap times.

A switch shifter on the steering wheel lets the driver move quickly between five operating modes. The "E-Power" mode is the default upon ignition. In "Hybrid" mode the electric motors and combustion engine work in alternation to target maximum efficiency and minimal fuel consumption. "Sport Hybrid" involves greater dynamic performance: the combustion engine is

Split drive, low centre of gravity: the 918 Spyder's weight is ideally distributed.

primarily responsible for providing power. The electric motors support through the Boost function.

"Race Hybrid" is the top-performance mode and is especially intended for sporty handling. This also includes the "Hot Lap" mode which for a short period can channel every bit of output into boosted performance.

The chassis and transmission on the 918 Spyder have racing in their blood. The monocoque structure is comprised of carbon fiber reinforced polymer. The multilink axle is enhanced through additional technology including the PASM adaptive suspension system and rear-axle steering.

The 919 Hybrid long-distance competition car further extends this technology to include another revolutionary concept. The rear axle of this racer features a compact V4 combustion engine. Turbocharging, direct injection and downsizing by reducing the displacement to two litres and restricting the cylinder count to four – all factors in boosting efficiency significantly. The extra electric motor on the front axle turns the 919 Hybrid into an all-wheel vehicle when critical situations arise. The electrical energy required for this comes through two energy recuperation systems.

The latest breakthrough comes in the harnessing of thermal energy from exhaust gas into electricity by means of an electrical generator. A dynamo provides extra power to the front axle, which converts kinetic energy into electricity during braking. The driver can draw upon the electric power as needed from lithium-ion batteries – applied as several hundred extra hp to the front axle. The result: the most efficient transmission ever built by Porsche.

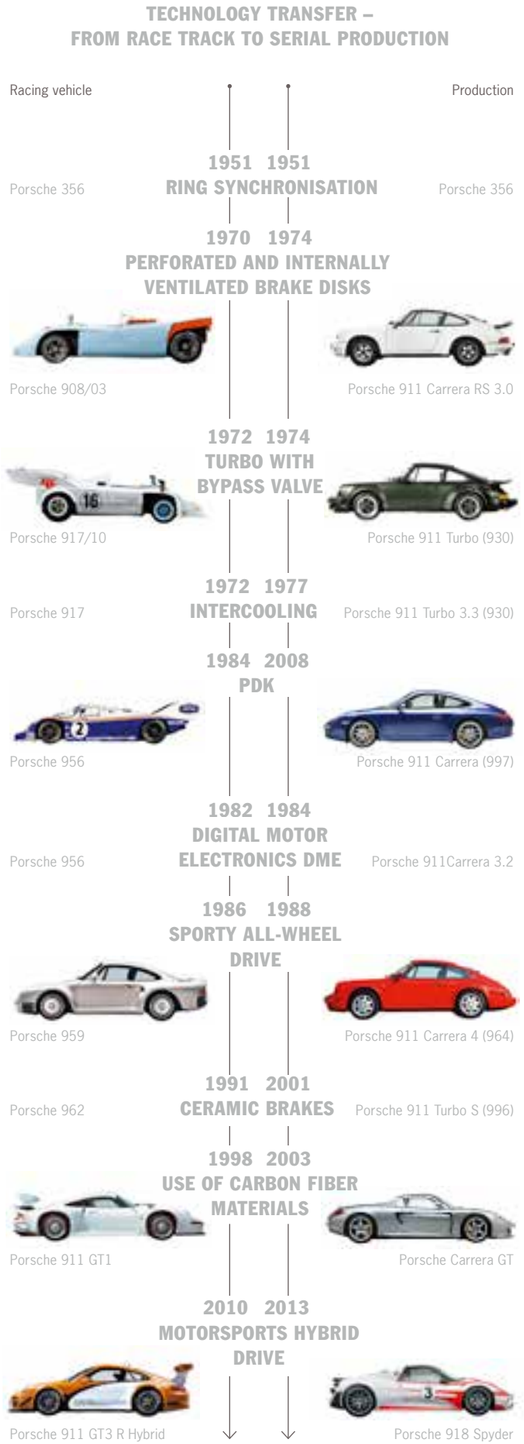
These vehicles are no less than the future of sports cars, available today. It is an open declaration by Porsche of the kinds of technologies that might be available in future models. One clear sign: all roads point toward maximum efficiency. And in particular: the vehicles to achieve these feats will see their first kilometres on the test track in Weissach. Just like so many sports cars with trailblazing technology before them.

UNIQUE TRADITION

Porsche created the test track in Weissach in the early 1960s. Construction began in 1961. The Skid Pad opened in 1962, and the off-road course followed in 1967. The CanAm course was built in 1971 around the Skid Pad, as was the mountain course with narrow curves. The R&D buildings to power this progress were also being erected piece by piece at the same time. They have taken on a certain air of mystery, seemingly a distant place from which wondrous technology did and does emerge. The Weissach name stands for success on the racing track, and for the subsequent transfer of that technology from competition vehicles to series-produced models.

Example 1: In 1970, it was the powerhouse 917, at the time developed with verve and style by a young engineer named Ferdinand Piëch, that claimed Porsche's first overall victory at the "24 hours of Le Mans." In 1972, in an effort to eke out even greater engine performance from its twelve-cylinder motor, the 917 was outfitted with two turbochargers ("twin turbo"). Valves were used to regulate the injected pressure and prevent an over-charge. One year later this technology was moved to series production, culminating in the famous 911 Turbo (930 series) first presented in 1973, which received further racing technology in form of an additional intercooler in 1977. The 959 was introduced to the public in 1985. This extraordinary technological package brought some cultivated manners to the turbocharger design: it used two complementary units instead of one, each covering a different turbocharge range. The feared "turbo gap" was finally a thing of the past. In 2006, the 911 Turbo premiered its Variable Turbine Geometry (VTG) to ensure optimal flow conditions in all operating states. Then and now Porsche is the sole car maker to use the VTG charger in gasoline engines. Yet the turbocharging technology is more topical than ever, and is considered capstone technology for bringing combustion engines into compliance with the needs of fuel economy and emissions, especially going forward.

Example 2: The Porsche Double Clutch Transmission (PDK). The sports car maker was working on this kind of a power converter as far back as at the end of the 1960s. In the early 1980s, the developers were working on improving the 956/962 sports car when they returned to the idea of a gear shifter that did not interrupt the application of power. The technology is especially well suited for turbocharged engines, since you can continue to supply gas even when shifting, thus maintaining a constant turbocharge – not to mention short shifting times. The PDK proved a valuable commodity in the motorsports arena, but couldn't yet provide the level of comfort needed in production vehicles. The electronics first needed to be redesigned: In 2008, the 911 Carrera (997) became the first production sports car to feature the double clutch transmission. Over 90 percent of the 911s that Porsche sells today are outfitted with the PDK, and in other models it's a standard feature – for sporting handling, but also for (and because of) the low fuel consumption.



Example 3: The sporty all-wheel drive also originated in the Weissach Development Centre. Here the 959 once again comes into play. It was the first all-wheel vehicle with sensors monitoring the driving conditions to distribute the engine's power variably between the front and rear axle using a stageless electronic differential lock. This technology proved a big success: in 1986, the 959 claimed first place in the Paris-Dakar rally. Two years later, the first production car using the all-wheel drive came on the market, the 911 Carrera 4 (964). Porsche has continued to refine the concept ever since. The next stage of innovation involves all-wheel drive with electric motor support, as embodied by the 911 GT3 R Hybrid, 918 Spyder and 919 Hybrid.

Rolling laboratories drive technology forward, pushing it to its limits and refining it. The Weissach Development Centre works like a supercomputer. Complicated issues are fed into it – comprehensive answers are returned. The result is always: the best sports cars in the world, for motorsports and for the "Engineered in Weissach" lines.

High-tech wind tunnel for energy-efficient aerodynamics: Michael Pfadenhauer in front of the high-performance turbines. The fans are eight metres in diameter, with ultra-lightweight carbon blades capable of producing wind speeds of up to 300 km/h.

The Development Centre is always reinventing itself as well, staying abreast of the latest technology and scientific insights. Weissach features cutting-edge technology. The 2014 operating year saw Porsche open a new design studio in a high-concept architectural design and an aeroacoustic wind tunnel. Factoring in the Electronics Integration Centre (EIZ) that opened in 2013, the company has invested more than 150 million euro in expanding and refurbishing the Development Centre. After all, if you want to build cars and push envelopes, then you have to be capable of the kind of research that pushes limits.

NEW BUILDINGS, NEW OPPORTUNITIES

In the new studio, Michael Mauer, Vice President Style Porsche, is showing off one of the successful innovations for 2014. "The 911 Targa has an unmistakable and timeless design that skillfully blends the historical attributes of the original 1963 Targa with modern functional style elements," he explains. "It contains the brand's design DNA, which evolves with each new vehicle we make." The new design studio represents an ideal working environment. Vehicle design in all stages has been brought under one roof, meaning the various departments of the design team, previously spread out in different buildings, are now closer to one another. The immediate benefit is clear: the lines of communication are shorter. "Designs can be presented and discussed quickly – an important step forward in our creative work," Mauer notes.

The new wind tunnel is located directly next to the Design Centre. Michael Pfadenhauer, Director Aerodynamics/Thermal-Management: "The demands put on this technical area have grown immensely in recent years." The 918 Spyder is the current zenith of that development. "Its active aerodynamics allow for extreme fuel efficiency and maximum performance at the press of a button – characteristics that, before this car, had seemed mutually exclusive," Pfadenhauer elaborates. "The supercar is also equipped with a thermal management system comprised of five separate cooling circuits and seven air heat exchangers to maintain optimal conditions whatever the driving situation – a massive challenge."

The links between exterior design and aerodynamics are of course especially tight, so those two buildings feature direct linking passageways – promoting greater flexibility among employees and conferencing options, but also allowing models and prototypes to be transported away from the eyes of the public: what is dreamed up on the one side can be tested confidentially on the other.

"That's another strength of the EZW," Michael Mauer says. "We can work behind closed doors here and without distraction. This keeps our projects more confidential,

Porsche Active Aerodynamics (PAA) on the 918 Spyder: cooling air hatches, front diffuser and a rear wing can all be adjusted to the specific driving mode.

and helps preserve their trendsetting character. And also helps set the stage for highly concentrated work by our employees."

ELECTRONICS WITH TREMENDOUS POTENTIAL

At the new Electronics Integration Centre, employees are tasked with networking the diverse, highly complex electrical and electronic functions of the car, ensuring that they are compatible with one another and work flawlessly – no mean feat. "Current vehicles already have 6,000 electrical and electronic functions, with more being added in every day," says Uwe Michael, Vice president Electric/ Electronic Systems. "They're distributed among 100 control units. Within the final overall vehicle, they all need to work flawlessly with one another. That's the EIZ's job. We bring together the car's overall electrical and electronic systems, installing them with all individual functions." This ranges from audio systems to display and control concepts.

> **"Designs can be presented and discussed quickly – an important step forward in our creative work."**
>
> MICHAEL MAUER
> Vice President Style Porsche

The electric drives also fall under the responsibility of the Weissacher team. Wolfgang Hatz says: "We're on the vanguard of plug-in hybrids. We have the Cayenne S E-Hybrid, the Panamera S E-Hybrid and the 918 Spyder, making us the only marque already offering three plug-in models in the premium segment. This is an important strategic topic for us, because we as a sports car manufacturer need to satisfy a full range of emission regulations." Alongside the ongoing perfection of the plug-in hybrid, such as through longer electric ranges, the developers are also exploring pure electric-powered vehicles such as on a prototype Boxster E. As would be expected from Porsche, the racing track still sets the benchmarks for this: "We'll only move a given technology into series production once an electric sports car can deliver maximum performance in all conditions," Hatz maintains. "Even after ten laps on the test track, it must still have enough juice to go around a couple times more at fast speeds."

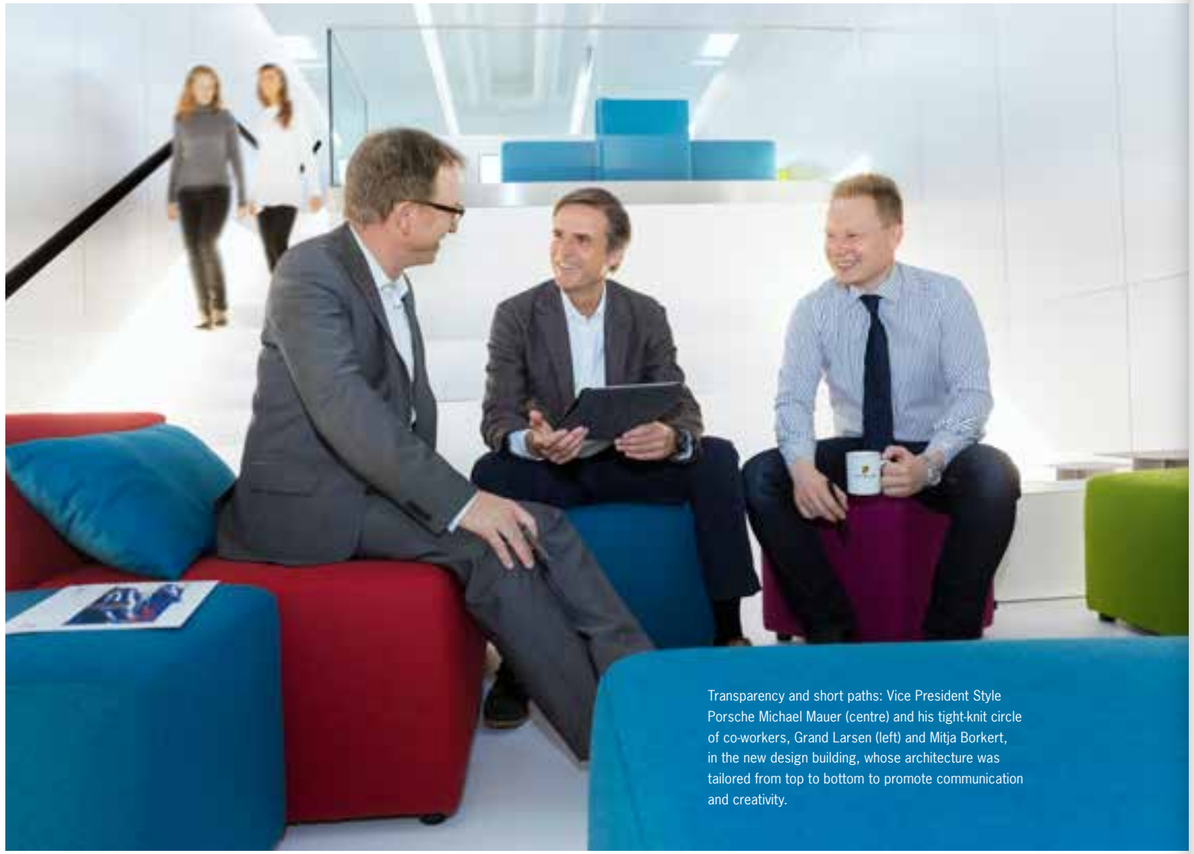
The braking system provides a good example of just how closely all of the vehicle components are networked with one another. In modern vehicles the brakes no longer serve just to slow the vehicle, but rather also to recuperate energy and boost efficiency: like a bicycle generator, the kinetic energy of the vehicle is converted into electrical energy. In efficiency-oriented cars, this means achieving the maximum possible effectiveness. "We don't waste even a single kilowatt-second. The brakes are fully embedded in complex drive systems," emphasizes Michael Lingg, Manager Engineer Brakes/Hydraulics/Actuations. The 918 Spyder kicked off a trend that is increasingly being seen in other model series. Where simple power brakes once ruled, this new, electronically controlled version is now a real high-tech unit, and a central element for optimal recuperation.

THINK TANK OF THE HIGHEST ORDER

In the academic world, Weissach would probably be known as a "think tank." It certainly is a forge for new benchmarks. Both for the brand and the entire industry. World-class technical expertise combined with exceptional conceptual creativity and workmanship, forged into an unmatched product. "At Porsche, there's also a certain competitive ambition that drives us on," says Uwe Schneider, General Manager Development complete vehicle Testing and Quality Management. "It works like an R&D accelerator: Porsche is at home in the motorsports world – and like an athlete, every employee is ready at all times to give their utmost. To come together as a team, all pulling in one direction and capable of achieving greatness."

One major benefit of Weissach is ultimately that everything is in close proximity. "Within five minutes you can move from the wind tunnel to the chassis developers," Wolfgang Hatz explains. "The test track is right there as well. There's no other development centre in the world with this kind of density. At lunchtime, everyone meets in the cafeteria, chats and exchanges opinions. It's this spirit" Hatz says, "that makes our Development Centre something truly special."

Pure efficiency: the high-performance hybrid braking system on the 918 Spyder features integrated recuperation.



Transparency and short paths: Vice President Style Porsche Michael Mauer (centre) and his tight-knit circle of co-workers, Grand Larsen (left) and Mitja Borkert, in the new design building, whose architecture was tailored from top to bottom to promote communication and creativity.

WEC EVENTS IN 2015

The 919 Hybrid was built for the FIA World Endurance Championship (WEC), the premiere league of long-distance motorsports. In the process it will serve as a "rolling lab" for insights into Porsche's "sports car of the future."

March 27–28, 2015	Paul Ricard, France	Prologue
April 12, 2015	Silverstone, Great Britain	6-hour race
May 2, 2015	Spa-Francorchamps, Belgium	6-hour race
June 13, 2015	Le Mans, France	24-hour race
August 30, 2015	Nürburgring, Germany	6-hour race
September 19, 2015	Circuit of the Americas, USA	6-hour race
October 11, 2015	Fuji, Japan	6-hour race
November 1, 2015	Shanghai, China	6-hour race
November 21, 2015	Sakhir, Bahrain	6-hour race

BUSINESS DEVELOPMENT

GLOBAL ECONOMY EXPERIENCES MODERATE GROWTH

The growth rate for the global economy increased slightly to 2.7 percent in financial year 2014 (previous year: 2.6 percent). The economic situation improved in many industrialised countries, including in Western Europe. Gross domestic product here increased by 1.2 percent (previous year: 0 percent). Even in the crisis-stricken southern European countries, the end of the long recession was in sight. However, the fallout from the conflict between Russia and Ukraine was felt in Eastern Europe. Russia's economic output increased by only 0.4 percent in the period under review (previous year: 1.3 percent). The German economy proved robust, posting 1.5-percent growth (previous year: 0.2 percent). This growth rate was outstripped by that of the two global economic engines, the United States (2.4 percent; previous year: 2.2 percent) and China (7.4 percent; previous year: 7.7 percent).

The global automobile market grew by 4.5 percent to 73.4 million vehicles in the year under review. This growth was boosted in particular by the regions Asia/Pacific, North America and Western Europe. The passenger car markets in Western Europe had begun to stabilise in the second half of 2013, and this trend continued into financial year 2014. In Germany, new vehicle registrations rose by 2.9 percent to 3.0 million units; this was the first time this figure had increased in four years. The US market was once again in a clearly better state, posting a 5.9-percent increase to 16.5 million vehicle registrations. The Asia/Pacific region recorded the strongest market growth. The Chinese passenger car market in particular contributed to this trend, with a growth rate of 12.1 percent to 17.9 million units. The slight tapering of economic growth in China was not enough to weigh down momentum on the world's largest automobile market.

PORSCHE DELIVERS JUST UNDER 190,000 VEHICLES

With 189,849 new vehicles delivered, financial year 2014 was the most successful year in Porsche's history thus far. This represents a 17-percent increase on the prior year, which had also been a strong year. Sales were up year on year during every single month of the year under review and on every continent. December 2014 was the first month in which more than 20,000 new vehicles were delivered to customers in a single month.

This success was due in particular to the market launch of the fifth model series, the Macan, in April 2014. The first 44,636 vehicles in this new series were delivered to customers during the year under review. This positive market response was also reflected in the many awards the Macan has received: for instance, the readers and jurors of Bild am Sonntag and Auto Bild awarded the Macan the „Golden Steering Wheel"; auto motor and sport voted the model one of the year's best new designs. The new 911 Targa 4 also won these acclaims. Overall, 30,510 cars in the 911 model series were delivered to customers. 12,833 Boxsters and 10,764 Caymans were delivered to customers. In addition, Porsche delivered 301 of the new 918 Spyder super sports cars, a limited edition which has now been sold out.

In 2014, the Cayenne was once again the most popular model with 65,941 vehicles delivered. With the introduction of this new generation, Porsche has also increased its offering of plug-in hybrid vehicles by adding the Cayenne S E-Hybrid. 24,864 Panameras were delivered to customers during this successful financial year; an exclusive series further bolstered the model's market position.

AMERICAS

USA: A NEW RECORD IN THE LARGEST MARKET

With 47,007 vehicles delivered, Porsche realised the best annual result in its history in the United States. The United States also remained ahead of China as Porsche's largest individual market, which grew by 11 percent. The Cayenne was once again the most popular model series. With 16,205 deliveries to customers, the transition to the new generation of the sport off-roader has been successfully mastered. The record number of deliveries in the year under review was also attributable to the success of the 911 model series, which saw the delivery of 10,529 new vehicles (including the 918 Spyder) to customers. The highlight for the Boxster and Cayman model series was the introduction of the GTS models. In total, 3,417 Caymans were delivered; the open mid-engined sports car Boxster saw 3,875 new vehicle deliveries. Porsche delivered 5,740 new Panameras to customers. The Panamera S E-Hybrid already accounts for 15 percent of the model series with 875 units. Following the introduction of the fifth model series, Macan, in May 2014, 7,241 Macan S and Macan Turbo models were delivered to customers.

Construction of the new headquarters of Porsche Cars North America, with an integrated customer experience centre in Atlanta, was in the final phase at the end of the year under review. Porsche will use the grand opening in 2015 to further expand its market presence and offer customers a further opportunity to experience the brand up-close. In addition, in 2014 ground was broken for a customer experience centre in Los Angeles, which is slated for completion at the end of 2015.

CANADA: A VERY STRONG YEAR

Porsche continued along its successful trajectory in Canada with 34-percent growth and a new record of 4,933 cars delivered this year. Nearly 40 percent of cars sold were Cayennes (1,904 new vehicles delivered). Never before have so many 911 sports cars been delivered to customers in a single year: at the end of the year, 812 cars (including the 918 Spyder) were delivered to customers, representing a 23-percent growth rate. With a total of 619 new cars delivered, the Boxster/Cayman model series also played a big part in the successful performance in Canada this year. 375 units of the Panamera model series were delivered, a 14-percent increase on the prior-year figure. The Canadian market launch of the fifth model series, Macan, took place in May 2014. By the end of the year, 1,223 new vehicles were delivered to Canadian customers.

LATIN AMERICA: CONTINUED GROWTH

Porsche continued on its growth trajectory in Latin America in the reporting year. Given the country-specific import restrictions and unfavourable exchange rate developments in significant Latin American markets, the nine-percent growth in the region represents a solid performance for Porsche there. A total of 3,871 new vehicles were delivered to customers in the markets in Central and South America as well as in the Caribbean. 575 of the mid-engined sports cars Boxster and Cayman were delivered. Deliveries of the 911 model series (including the 918 Spyder) continued to increase. Deliveries of the Panamera model series came to 165 vehicles, representing a 36-percent increase. The Cayenne remained the most popular model series, with 1,316 new vehicles delivered, followed by the new Macan, with 1,263 vehicles delivered. A total of 21 markets with 46 dealers are served by the regional office located in Miami. The highest-selling markets in the region were Mexico and Brazil, followed by Chile and Puerto Rico; these markets contributed to the positive development during the year under review.

EUROPE

GERMANY: THE NEXT RECORD YEAR

In financial year 2014, Porsche delivered 23,841 new vehicles to customers in its home market, thus breaking a new record. The sports car manufacturer beat the previous year's results by 16 percent. One decisive factor in this performance was the delivery of 6,960 new 911 (including the 918 Spyder) to customers – the 911 series was the most-sold model series in Germany. A total of 3,648 of the mid-engined sports cars Boxster and Cayman were delivered to customers. Following the successful introduction of the new Cayenne, a total of 5,349 of the sporty off-roader were delivered to customers in 2014. The new Macan also enjoyed a high level of popularity in Germany, and played a key role in breaking

the record: 5,635 vehicles have been delivered to customers since deliveries started in April 2014. With 2,249 vehicles delivered, the Panamera also sold well.

EUROPE REGION: GROWTH IN A VOLATILE ENVIRONMENT

In Europe, which comprises 46 markets and 261 Porsche Centres, 37,650 new vehicles were delivered to customers in the year under review. This represents a 20-percent growth rate as compared to the previous year, a rate which is just below that for emerging economies such as China. This success was achieved in a very difficult macroeconomic environment. Key markets such as Italy, France and Russia, as well as Eastern Europe which was negatively affected by the Ukraine crisis, were struggling with considerable economic problems.

GREAT BRITAIN: TWO-DOOR SPORTS CARS IN DEMAND

In financial year 2014, Porsche Cars Great Britain Ltd. delivered 9,204 new cars to customers, exceeding the previous year's level by twelve percent. The mid-engined sports car emerged as the strongest model series, with 2,695 units. 2,306 Cayennes were delivered. 1,845 units of the 911 series (including the 918 Spyder) were delivered to customers, representing growth by 20 percent. The success of the new Macan beat expectations in Great Britain, with 1,426 new cars delivered.

FRANCE: A RETURN TO LE MANS

In financial year 2014, after a 16-year break, Porsche returned to the 24-hour race at Le Mans with the 919 Hybrid, thus rejoining the pinnacle of motorsport. The sales figures were also encouraging. With 4,025 new car deliveries, Porsche France beat its prior-year figure by 18 percent despite a tense macroeconomic environment. The market launch of the new Macan was also a positive force behind this trend, with 1,507 units delivered.

BENELUX: PANAMERA S E-HYBRID AND CAYENNE S E-HYBRID IN DEMAND

The plug-in hybrid vehicles of the Cayenne and Panamera model series were highly popular in the Benelux countries, particularly thanks to tax cuts for these vehicles in these countries. The Panamera S E-Hybrid accounted for 15 percent of units delivered to customers around the world. Belgium remained the market with the highest sales, with 1,893 units, followed by the Netherlands with 1,361 units and Luxembourg with 350 units.

ITALY: SOLID DEVELOPMENT OF THE PREMIUM SEGMENT

Despite the persistent economic uncertainties in 2014, the premium segment saw a slight uptick in demand. With 4,235 new vehicles delivered, Porsche outpaced this slight segment growth significantly by 39-percent growth year on year.

SPAIN/PORTUGAL: POSITIVE DEVELOPMENT

Both close customer contact in the core segment of the two-door sports car and the introduction of the Macan and the new generation of the Cayenne helped Porsche to deliver 2,056 vehicles to customers in Spain and Portugal in financial year 2014. This corresponds to an increase in unit sales of 39 percent compared to the prior year.

SWITZERLAND: HEAVY DEMAND FOR THE MACAN

Porsche Switzerland increased deliveries to customers by 29 percent to 2,871 vehicles and thus broke a new record. The Macan model series was in particularly high demand and accounted for a large portion of growth at 1,145 vehicles. 822 vehicles of the 911 series (including the 918 Spyder) were delivered to customers.

AUSTRIA: ONCE AGAIN MORE THAN 1,000 NEW VEHICLES DELIVERED TO CUSTOMERS

As it did a year earlier, Austria cleared the thousand-unit threshold during financial year 2014, with 1,066 new vehicles delivered to customers. One highlight of the ongoing expansion of the dealer network came with the opening of the new Porsche Centre in Salzburg. Porsche has been welcoming customers there in an urbane environment since October 2014. The new standalone operation offers some of the most modern features of any Porsche Centre in Europe, with over 850 square metres of exhibition space and a customer workshop stretching across 1,500 square metres.

RUSSIA: A NEW RECORD

Porsche bucked the general market trend in Russia, delivering 4,772 new cars to customers, representing a 26-percent increase. The most popular model series was again the Cayenne, with 2,452 units delivered to customers. The Macan proved to be the second-most popular in the year in which it was introduced, with 1,417 units delivered to customers. 504 units of the Panamera model series were delivered, a 40-percent increase on the prior-year figure. 250 units of the 911 series (including the 918 Spyder) were delivered to customers, representing a 34-percent growth rate.

ASIA

MIDDLE EAST AND AFRICA: CONSOLIDATION

Porsche Middle East and Africa continued along its regional growth trajectory in financial year 2014 by tapping into the markets in Morocco, Algeria and Tunisia, as well as La Réunion and Mauritius. During the year under review, a total of 9,827 (previous year: 11,608) vehicles were delivered to customers. Business in the region was significantly weighed down by political strife in Syria, Iraq, Yemen and Nigeria. In addition, exchange rate developments in South Africa and India represented further challenges. With 4,810 new vehicles of the Cayenne model series delivered, 49 percent of volume in the region was accounted for by SUVs. 1,137 Panameras and 1,331 Macans were delivered to customers in the region. A total of 23 markets with 39 dealers are served by the regional office located in Dubai.

EASTERN EUROPE: GROWTH DESPITE THE UKRAINE CRISIS

Despite the Ukraine crisis and a heterogeneous market environment, Porsche outdid its prior-year performance in Eastern Europe with 4,073 new vehicles delivered to customers (previous year: 4,014), particularly thanks to the growing markets in Poland and Turkey. The Cayenne was the most popular model series, with 1,821 units delivered. In its first year available, the Macan proved to be the second-most popular, with 860 units delivered. 524 units of the 911 model series (including the 918 Spyder) were delivered, a twelve-percent increase on the prior-year figure. 684 Panameras were delivered, thus exceeding the already strong prior-year figure.

NORTHERN EUROPE: SIGNIFICANT INCREASE IN DELIVERIES

Northern Europe has the highest tax rates for automobiles in Europe. Nevertheless Porsche delivered 1,744 units to customers here, representing growth of 21 percent. In its first year available, the Macan proved to be the most popular model series in this region, with 650 units delivered. The positive development in Sweden bears highlighting here: Porsche realised 38-percent growth with 751 units delivered to customers.

CHINA: CONTINUED GROWTH TRAJECTORY

With 46,931 new vehicle deliveries in financial year 2014 (representing a 25-percent increase), China represented Porsche's second-largest sales market after the United States. The best-selling model series – despite the change in generations – remained the Cayenne with 20,844 new vehicles delivered. This means that China is still the largest sales market for the model series. China expanded its position as the largest market for the Panamera with 9,250 new vehicles delivered to customers there. 1,335 new vehicles of the 911 series (including the 918 Spyder) were delivered to customers. Deliveries of the mid-engined sports car increased by a total of ten percent to 2,860. Porsche's growth path in China was also bolstered by the continued expansion of the dealer network: in financial year 2014, an additional 14 Porsche Centres opened their doors. At the end of the year, the number of dealers had risen to a total of 79.

JAPAN: MORE THAN 5,000 NEW VEHICLES DELIVERED

Following a 19-percent growth spurt to 5,138 new vehicles delivered to customers, Porsche Japan crossed the 5,000-vehicle threshold for the first time. Deliveries of the rear- and mid-engined sports cars once again broke historical records: deliveries of the 911 model series (including the 918 Spyder) increased by 25 percent in comparison to an already successful previous year, to reach 1,550. The Boxster/Cayman model series also saw a twelve-percent jump in deliveries to 1,619 units delivered to customers.

SOUTH KOREA: OFF TO A SUCCESSFUL START

The Porsche subsidiary formed as at 1 January 2014 in South Korea got off to an extremely successful start in its first year, with 2,703 units delivered to customers. This represents a 31-percent increase as compared to the previous year. The 911 contributed to this increase with 304 vehicles delivered and a 10-percent growth. The new Macan had a good start on the market with 667 units delivered. 552 units of the Panamera were delivered to customers, representing a remarkable increase of 69 percent.

ASIA/PACIFIC: SALES ON HIGH

Despite the spin-off of the strong South Korean market as at 1 January 2014, the Asia/Pacific region was able to operate at the same high level as in the previous year, with 4,846 new vehicles delivered. Adjusted for this non-recurring effect, this represented a 53-percent increase in deliveries. The Cayenne and Macan model series played an important role in this growth. With 1,836 vehicles delivered from the second half of the year, the Macan got off to an excellent start on the market. Cayenne deliveries remained stable at 1,723. With 481 vehicles delivered, the Panamera made a valuable contribution to this success. The Taiwanese market reached a new milestone with more than 3,000 new vehicles delivered. In 2014, the import business got off to a successful start in Cambodia and Mongolia. In the reporting year, Porsche was thus represented in 13 countries in the Asia/Pacific region.

AUSTRALIA/NEW ZEALAND: ANOTHER RECORD YEAR

Following an already highly successful year in 2013, Porsche Cars Australia broke yet another record for new vehicle deliveries in financial year 2014, at 3,102. This corresponds to an increase by 48 percent. The model series Macan, available from the middle of the year, was delivered to 890 customers, exceeding already high expectations. The Cayenne model series saw 1,242 vehicles delivered – thus representing a slight increase year on year – and again played a key role in the Company's overall success. 414 new vehicles in the 911 model series (including the 918 Spyder) were delivered, corresponding to a noteworthy increase of 35 percent.

MORE VEHICLES MANUFACTURED

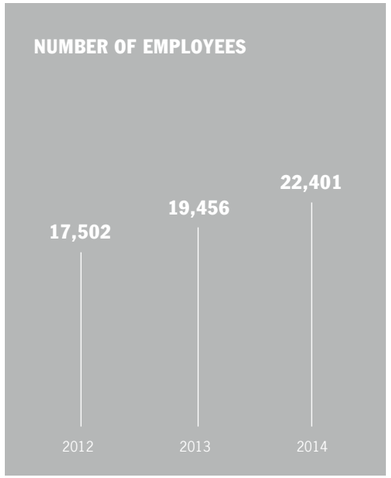
The number of vehicles manufactured in the Porsche AG group increased in the reporting year by 23 percent to 203,097 units. At the Leipzig plant, 66,005 vehicles of the Cayenne model series, 59,363 units of the Macan and 22,383 vehicles of the Panamera series rolled off the line. In Stuttgart-Zuffenhausen, 31,590 sports cars of the 911 model series were manufactured. Together, the Boxster and Cayman achieved a production figure of 23,211 vehicles in total. In addition, 545 units of the 918 Spyder were produced in Zuffenhausen.

UNIT SALES UP

The Porsche AG group increased its unit sales by 21 percent to 187,208 vehicles in the 2014 fiscal year. 48,569 units of the Macan were sold. Sales of the 911 increased by three percent to 28,870 vehicles, and Panamera sales rose by six percent to 22,472. 18 percent fewer units (65,091) of the Cayenne model were sold than in the previous year due to the change in generations.

NEW JOBS CREATED

As of 31 December 2014, the headcount at the Porsche AG Group was 22,401 employees, 15 percent higher than the figure as of 31 December 2013.



SIGNIFICANT EVENTS

MATTHIAS MÜLLER'S SERVICE AGREEMENT RENEWED FOR FIVE YEARS

During the year under review, the Supervisory Board of Porsche AG reappointed CEO Matthias Müller for a further term of five years. He has been Chairman of the Executive Board of the Stuttgart-based sports car manufacturer since 1 October 2010. His new term of office began on 1 January 2015.

SHARE IN BERTRANDT AG INCREASED

Porsche AG increased its interest in Bertrandt AG, Ehningen, by just under four percentage points to nearly 29 percent. The sports car manufacturer acquired the shares from Dietmar Bichler, CEO of Bertrandt AG, and his family. Bichler continues to hold an equity interest in Bertrandt AG.

HIGH LEVEL OF INVESTMENT AT ALL LOCATIONS

ZUFFENHAUSEN: NEW ENGINE FACTORY UNDER CONSTRUCTION

During the year under review, Porsche AG decided to further expand its main plant in Zuffenhausen and carried out construction work which had been resolved in the previous year. Of the newly planned investments, approximately 300 million euro related to a new body shell production facility, in which sports car body shells will be manufactured in future with the help of state-of-the-art technologies. In the context of facility development, going forward, all Boxster and Cayman models – which have been manufactured in part at Volkswagen Osnabrück since 2012 and will continue to be until 2016 – will be produced in the Zuffenhausen plant. In return, beginning from summer 2015, Porsche will have vehicles of the Cayenne series assembled at Volkswagen Osnabrück – in addition to at the Leipzig plant. Porsche is investing approximately 25 million euro in Osnabrück to that end.

Construction work for a new engine plant at Zuffenhausen was kicked off in spring 2014. At the end of the financial year, the shell and steel construction work had been completed. The plant, which is being constructed for the production of a new generation of engines, will include logistics and assembly facilities as well as offices. In addition to the engine plant, Porsche is converting existing

CLIMATIC WIND TUNNEL ACQUIRED FROM MODINE

Modine Europe GmbH, a thermo-management components supplier, has sold its climatic wind tunnel in Filderstadt to Porsche AG. By acquiring this wind tunnel, which is specially designed for the areas of cooling, air conditioning, safety and emissions, Porsche has expanded its development capacities.

ENGINEERING GROUP FORMS A SUBSIDIARY IN SHANGHAI

The engineering services provider Porsche Engineering Group GmbH has expanded its presence in Asia by establishing its own offices in Shanghai. The grand opening took place at the turn of 2014/2015.

buildings into central vehicle workshops. Already at the end of the year, construction work was kicked off for a new training centre. The new building, which will open in 2015, offers space for approximately 500 job entrants. In addition to a training workshop, the building will have classrooms and offices. The plant is being expanded into large spaces acquired at the southwest end of the existing space. These acquisitions have more than doubled the plant's area in the three years since 2011, from 284,000 to 614,000 square metres. The Company's general construction plan for the Zuffenhausen plant calls for investments totalling more than 1 billion euro.

LEIPZIG IS NOW A FULL-FLEDGED PLANT

At the beginning of the year under review, series production of the sporty off-roader Macan commenced at the Leipzig plant. The official opening ceremony took place on 11 February 2014. Porsche has invested around 500 million euro to expand the location into a full-fledged plant with its own paint shop and body shell production facility.

Porsche is building a new and innovative body shell production facility in Leipzig for the next generation of its Panamera model. Thus the model will be manufactured in its entirety in Saxony beginning in 2016. In total, the investments to expand the Leipzig plant so that it can produce the Panamera going forward amount to another 500 million euro. The successor to the current Cayenne model will be manufactured at Volkswagen's Bratislava plant from 2016 onward. The SUV's body shell and a large part of the components have been pre-assembled there thus far. Final assembly has taken place thus far in Leipzig.

WEISSACH RECEIVES HIGH-TECH FACILITIES

During the year under review, Porsche began operating a new high-tech wind tunnel and opened a new design studio at its development site in Weissach. Investments to expand and renew the Weissach development site – including for a new electronics integration centre, which went into operation in the previous year – have amounted to more than 150 million euro. In addition, a new drivetrain testing facility is also being built at the site. The investments for this amount to approximately 95 million euro.

CENTRAL SPARE PARTS WAREHOUSE

At Porsche's central spare parts warehouse, located near Sachsenheim in the Eichwald industrial park, a further expansion went into operations at the end of financial year 2014. This meant that storage space has increased from 113,000 to 170,000 square metres. More than 100,000 Porsche parts are stored here and supplied to approximately 800 locations around the globe thanks to state-of-the-art logistics technology. Porsche invested just under 80 million euro to expand the Sachsenheim facility.

TWO BONDS ISSUED

During the year under review, Porsche Financial Services Inc., domiciled in Atlanta, Georgia, issued two ABS bonds in private placements in the United States for a total of approximately USD 1.34 billion. Both placements were given top ratings by the rating agencies and included for the first time customer contracts for Porsches as well as contracts relating to Bentleys and Lamborghinis. Investors included insurance companies, pension funds, banks, asset management firms and companies. Porsche Financial Services is an indirect wholly owned subsidiary of Porsche AG.

FINANCIAL SERVICES ON A GROWTH PATH

The companies of the Porsche Financial Services (PFS) Group partner with the Porsche retail organisation to offer tailored financial products and innovative financial services in 15 countries. Thus the Porsche Financial Services Group has 211 employees in nearly every important automotive market in which the Porsche Group is active. In financial year 2015, the PFS Group will continue its international expansion and support Porsche's own importer in South Korea by setting up a local financial services company. In addition to the core products of leasing and financing, the extensive product range includes insurance products, the Porsche Card and dealer financing. Under the brand names Bentley Financial Services and Lamborghini Financial Services, exclusive financial services are offered in relation to the Group's brands Bentley and Lamborghini in Germany, Italy, Switzerland, France, the United States and Canada. In addition, individual solutions are developed for Bugatti customers. Demand for financial services remained strong in financial year 2014, with approximately 46,000 new agreements signed around the world. The Financial Services companies exceeded the 100,000 mark for the first time and now manage more than 103,000 financing agreements with a volume of more than 4 billion euro. In addition, more than 13,000 customers appreciate the comfort and exclusive services offered by the Porsche Card and more than 17,000 customers have taken advantage of the insurance offerings of the Porsche Insurance Service. The companies of the Porsche Financial Services Group have adapted their processes and methods – including for risk management – in their respective markets to ensure compliance with the ever stricter statutory requirements imposed on financial services.

OUTLOOK

FORECAST FOR FURTHER GROWTH

The global economy may experience even stronger growth in 2015 than it had in the year under review. The emerging economies of Asia are likely to continue providing the momentum behind this growth. Economic growth in China will remain at a high level. Economic growth forecasts for the United States are also optimistic. By contrast, the continuation of the recovery in Western Europe depends on the resolution of structural problems. Nevertheless, Germany is likely to experience solid economic performance with stable growth rates similar to the level recorded during the year under review. However, expectations for Russia are highly pessimistic in light of the conflict between it and Ukraine.

PROSPECTS ON THE AUTOMOTIVE MARKETS

Overall, the global automobile market will continue to grow in 2015. However, momentum is expected to slow slightly in the key markets China and the United States according to forecasts by the German Association of the Automobile Industry (VDA). The Association expects the German market to see slight growth at one percent to solid three-million new vehicle registrations.

ANTICIPATED DEVELOPMENTS

Porsche AG will endeavour to further increase new vehicle deliveries and revenue in financial year 2015 as compared to the year under review 2014. This increase will be driven primarily by the new Macan. Porsche's fifth model was gradually introduced on the global markets from April 2014 onwards and will be available for twelve months of the year for the first time in financial year 2015. Although investments in vehicle projects and the expansion and renewal of sites are high, continuous productivity and process improvements and strict cost management are intended to ensure that Porsche AG's high earnings objective continues to be achieved.

RESEARCH & DEVELOPMENT

Development efforts in financial year 2014 focussed on the new generation of the Cayenne model series, which not only impresses with its sharper design, increased efficiency and comprehensive series fitting, but with the introduction of the Cayenne S E-Hybrid, also presented the first plug-in hybrid vehicle in the premium SUV segment. Additional efforts focussed on the new GT vehicles Cayman GT4 and the 911 GT3 RS. Porsche Motorsport also developed the second generation of the Le Mans prototype: The new Porsche 919 Hybrid is a powerful evolution of the successful version which débuted in 2014. The new generation's initial roll-out took place in mid-December 2014.

In addition, the engineers' tasks at the Weissach Development Centre in financial year 2014 included work on the standard drive module toolkit based on the Panamera concept. The module serves as the foundation for vehicles whose engine is installed longitudinally and which feature rear-wheel drive in the base version. In future, the module could also be used by other vehicles in the Volkswagen Group. The toolkits are intended to tap into considerable synergies in development, procurement and production.

EXCITING NEW LAUNCHES

In January 2014, Porsche presented the new 911 Targa to the public at the North American International Auto Show (NAIAS) in Detroit. It combines the classic Targa concept with state-of-the-art roof technology. Just like the original Targa, the new model features a characteristic wide bar in place of the B-pillars, a movable roof section above the front seats and a wrap-around rear window with no C-pillar. However, in a departure from the classic models, the roof segment on the new Targa can be opened and closed at the push of a button. The new Targa generation was released exclusively with all-wheel drive. The heart of the 911 Targa 4 is a 3.4-litre 350-hp Boxer engine. The 911 Targa 4S's engine generates 400-hp. One year later, another Targa stole the spotlight at the Detroit Auto Show in January 2015 – the 911 Targa 4 GTS. For the first time, Porsche had implemented the successful GTS concept in a Targa. At 430 hp, its engine is even more dynamic. The series includes the Sport Chrono package, black 20-inch centre lock wheels and SportDesign front apron, among other features. Black Alcantara leather on the steering wheel and seats, as well as trim accents finished in black brushed aluminium enhance the Targa 4 GTS's sporty flair.

At the Geneva International Motor Show in March 2014, Porsche focussed on its return to the big motor-sports stage. The highlight of the event was the world premiere of the 919 Hybrid, which competed in the 2014 World Endurance Championship (WEC). Just as in all eight of the WEC races, the prototype in Geneva was flanked by the 911 RSR. The Macan S Diesel, the fuel-efficient endurance champion in the Macan model series, also celebrated its premiere at the Swiss auto show. With fuel consumption between a mere 6.1 and 6.3 litres/100 km, the Macan S Diesel's CO_2 emissions range from 159 to 164 g/km. Despite these numbers, the Macan S Diesel, with its 3.0-litre V6 turbo diesel engine (258 hp), accelerates from 0 to 100 km/h in just 6.3 seconds and tops out at a speed of 230 km/h.

EMISSION AND CONSUMPTION DATA OF THE NEWLY INTRODUCED VEHICLES

Model	Output (kW)	Output (hp)	Fuel consumption urban (l/100 km)	Fuel consumption extra-urban (l/100 km)	Fuel consumption combined (l/100 km)	CO_2-emissions combined (g/km)	CO_2-efficiency class (Germany)
Boxster GTS	243	330	12.7	7.1	9.0	211	G
Boxster GTS PDK	243	330	11.4	6.3	8.2	190	F
Cayman GTS	250	340	12.7	7.1	9.0	211	G
Cayman GTS PDK	250	340	11.4	6.3	8.2	190	F
Cayman GT4	283	385	14.8	7.8	10.3	238	G
911 Carrera GTS	316	430	13.7	7.5	9.5	223	G
911 Carrera GTS PDK	316	430	12.2	6.7	8.7	202	F
911 Carrera GTS Cabriolet	316	430	13.7	7.6	9.7	228	G
911 Carrera GTS Cabriolet PDK	316	430	12.3	6.9	8.9	207	F
911 Carrera 4 GTS	316	430	13.8	7.7	9.9	233	G
911 Carrera 4 GTS PDK	316	430	12.5	7.1	9.1	212	G
911 Carrera 4 GTS Cabriolet	316	430	13.9	7.7	10.0	235	G
911 Carrera 4 GTS Cabriolet PDK	316	430	12.5	7.1	9.2	214	F
911 Targa 4	257	350	13.1	7.5	9.5	223	G
911 Targa 4 PDK	257	350	11.8	6.9	8.7	204	F
911 Targa 4S	294	400	13.9	7.7	10.0	237	G
911 Targa 4S PDK	294	400	12.5	7.1	9.2	214	F
911 Targa 4 GTS	316	430	13.9	7.7	10.0	237	G
911 Targa 4 GTS PDK	316	430	12.5	7.1	9.2	214	F
911 GT3 RS	368	500	19.2	8.9	12.7	296	G
Macan S Diesel	190	258	6.9–6.7[1]	5.9–5.7[1]	6.3–6.1[1]	164–159[1]	B
Cayenne Diesel	193	262	7.8–7.6[1]	6.2–6.0[1]	6.8–6.6[1]	179–173[1]	B
Cayenne S	309	420	13.0–12.4[1]	8.0–7.8[1]	9.8–9.5[1]	229–223[1]	E–D
Cayenne S Diesel	283	385	10.0	7.0	8.0	209	C
Cayenne GTS	324	440	13.2–12.9[1]	8.3–8.1[1]	10.0–9.8[1]	234–228[1]	E–D
Cayenne Turbo	382	520	15.9–15.5[1]	8.9–8.7[1]	11.5–11.2[1]	267–261[1]	F
Cayenne Turbo S	419	570	15.9	8.9	11.5	267	F

Plug-in hybrid

Model	Output (kW)[2]	Output (hp)[2]		Power consumption (kWh/100 km)	Fuel consumption combined (l/100 km)	CO_2-emissions combined (g/km)	CO_2-efficiency class (Germany)
Cayenne S E-Hybrid	306	416		20.8	3.4	79	A+

[1] Versatility depending on the tyre set used
[2] Overall performance

In April 2014, the Boxster GTS and Cayman GTS made their début at the Auto China in Beijing. The six-cylinder Boxer engines are based on the 3.4-litre drivetrains from the Boxster S and Cayman S. Thanks to their optimised calibration, they each generate an additional 15 hp. This brings the Boxster GTS up to 330 hp and the Cayman GTS to 340 hp. Both mid-engined sports cars come standard with the Sport Chrono package. Equipped with an optional double-clutch transmission, the Boxster GTS – with Sport Plus mode activated – catapults from a standing start to 100 km/h in 4.7 seconds; the Cayman GTS edges out its cousin by a tenth of a second.

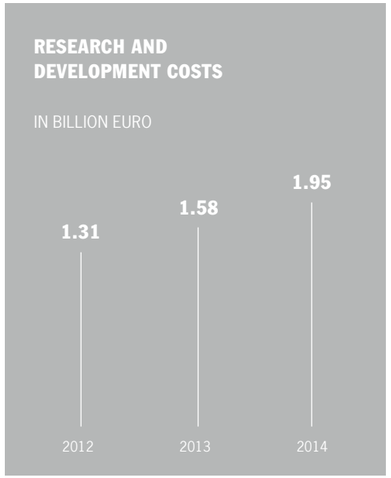
NEW CAYENNE IN THE SPOTLIGHT

The new generation of the Cayenne was the centre of attention at the Paris auto show in October 2014. The Cayenne S E-Hybrid was also the first-ever plug-in hybrid in the premium SUV segment. With the Cayenne S E-Hybrid, the Panamera S E-Hybrid and the 918 Spyder, Porsche was now the only brand in the premium segment which offered three plug-in models. Thanks to its hybrid technology, the Cayenne S E-Hybrid boasts fuel consumption of just 3.4 litres/100 km and CO_2 emissions of merely 79 g/km. In absolute terms, these are top numbers, especially for an all-wheel drive vehicle.

The Cayenne S E-Hybrid uses a lithium ion battery with a capacity of 10.8 kWh, which, depending on driving style and terrain, provides for an all-electric range of 18 to 36 kilometres. The electric motor generates 95 hp, which combines with the output of the 3.0-litre V6 compressor motor (333 hp) to produce 416 hp in total. The driving performance falls in the sports car range. From a standing start, the Cayenne S E-Hybrid accelerates to 100 km/h in 5.9 seconds and boasts a top speed of 243 km/h. The top speed of the electric motor is 125 km/h. The battery can be charged through the power grid or while driving. Vehicle data can be viewed on a smartphone using Porsche Car Connect, a standard feature for this series.

In addition to the Cayenne S E-Hybrid, Porsche presented updates to the Cayenne S, Cayenne Turbo, Cayenne Diesel and Cayenne S Diesel. The vehicles' most significant features were increased efficiency, more precise handling, sharper design and more comprehensive series fitting. In addition, the 3.6-litre V6 twin-turbo engine in the Cayenne S was all new and developed solely by Porsche. The front apron, front mud flaps and bonnet were all redesigned. The rear of the new Cayenne has also been given a completely new look: The rear lights are arranged three-dimensionally and the brake lights are divided into four parts, similar to the LED daytime running lights up front. The licence tub, handle and lighting have been more elegantly integrated into the rear hatch. An automatic hatch is part of the standard series fitting.

All the new Cayenne models consume significantly less fuel thanks to the coasting function, an improved auto start-stop function and an optimised thermal management system. The Cayenne S's new 3.6-litre V6 twin-turbo engine achieves fuel efficiency between 9.5 and 9.8 litres/100 km – a full litre less than the previously offered V8 engine. The twin-turbo V6 generates a maximum output of 420 hp. With its standard 8-speed Tiptronic S, the Cayenne S accelerates from zero to 100 km/h in 5.5 seconds. The Cayenne Turbo's 4.8 litres of displacement, eight cylinders and twin-turbo engine enable it to generate 520 hp. The Turbo thus goes from zero to 100 km/h in 4.5 seconds. Its fuel consumption is between 11.2 and 11.5 litres/100 km. The diesel variants combine high performance with even higher fuel efficiency. The Cayenne Diesel's 3.0-litre V6 engine generates 262 hp with a fuel efficiency of 6.6 to 6.8 litres/100 km. The Cayenne S Diesel's 4.2-litre V8 engine has 385 hp. Its fuel consumption is 8.0 litres/100 km.



As the financial year drew to a close, Porsche unveiled two more new GTS models at the 2014 Los Angeles Auto Show – the 911 Carrera GTS and the Cayenne GTS. The four variants of the 911 Carrera GTS close the gap between the 911 Carrera S and the 911 GT3. The model is available as a coupé or convertible, each with rear or all-wheel drive and 430 hp. The Sport Chrono package and other markedly athletic trim options are standard. The Cayenne GTS generates 440 hp and has an even more athletically tuned PASM suspension; the chassis sits 24 mm lower, making the vehicle even more aerodynamic.

Porsche presented an even higher-performing Cayenne model at the 2015 North American International Auto Show in Detroit in January 2015: the Cayenne Turbo S. The new "top model" of the newest Cayenne generation stands out in particular thanks to its new charging concept with turbochargers integrated into the exhaust manifolds. This feature pushes the Cayenne Turbo S past its predecessor, adding 20 hp for a total of 570 hp. The car's maximum torque, which was increased by 50 Nm (36.8 ft lb) to 800 Nm (590 ft lb), enables superlative performance, and the new turbochargers have further improved the responsiveness of the twin-turbo engine. The Turbo S turned a lap of the North Loop of the Nürburgring in 7:59.74, a new SUV record, proving that every Porsche is a genuine sports car, even in this vehicle segment. The Cayenne Turbo S accelerates from zero to 100 km/h in 4.1 seconds and reaches a top speed of 284 km/h.

RESEARCH AND DEVELOPMENT COSTS RISE

In financial year 2014, research costs and non-capitalised development costs (excluding amortisation and depreciation) of the Porsche AG group came to 886 million euro (previous year: 762 million euro). Development costs totalling 1.07 billion euro were capitalised (previous year: 815 million euro). Research and development costs (excluding amortisation and depreciation) amounted to 1.95 billion euro (previous year: 1.58 billion euro). The capitalisation ratio in financial year 2014 remained unchanged at 55 percent.

STRONG IMPULSES FROM LEIPZIG

Lutz Meschke, Member of the Executive Board – Finance and IT, speaking with students at the Graduate School of Management about current challenges faced by the global economy.

Leipzig has become a trusted second home base for Porsche. The Cayenne, Panamera and (as of 2014) Macan compact SUV all roll off the assembly line just outside the city. Porsche AG has invested hundreds of millions of euro in the Saxon city, yet the company's commitment goes far beyond pure business concerns.

Porsche has been a long-time sponsor of the Gewandhaus Leipzig, one of world's most venerable orchestras. Last year, the sports car maker also began supporting the youth development programme at second-division Bundesliga soccer team RB Leipzig. The stadium is just a stone's throw from the Leipzig Graduate School of Management (HHL). For the past two years, Porsche has endowed a teaching chair for Strategic Management and Family-Run Companies here, under the direction of Professor Stephan Stubner. Lutz Meschke, Member of the Executive Board – Finance and IT at Porsche, has supported the work of the HHL since 2013 as a member of its supervisory board. The cooperation with HHL is for Lutz Meschke an important element for intensifying the transfers between business and research and as an instrument for companies to promote the training of young people.

To this end, a round table discussion with students at the HHL was organised in early 2015.

The questions and contributions from the young men and women centred on concrete topical themes. The euro crisis and monetary policies of the European Central Bank. The promising field of electric mobility and Porsche AG's strategy for adopting to it. And last but not least, the attractiveness of the sports car maker for the next generation of workers – ladies very much welcome. The plea being made to the young academics is unmistakable: structural reforms are needed for states that have stumbled to become competitive again. For a company like Porsche, the goal is to continue its unhesitating push for innovation – including in much-discussed areas such as the Connected Car and e-Mobility. This will help Porsche remain an attractive employer for candidates of both genders.

IMPETUS FOR GROWTH IN EUROPE

Mr. Meschke, the media has been dominated by stories related to the crisis in the eurozone. Wouldn't it be more honest to let Greece and other southern European countries simply drive off the economic cliff?

The debt crisis in Europe is really anything but over. A conscious decision to let Greece or even the EU itself drive over the cliff is certainly not a good approach. A bankruptcy by Greece could trigger a chain reaction. What Greece and other states in the EU need is something else entirely: they need something to drive growth. But that growth needs time. Just like politics needs time. And there isn't much time left.

The new Greek government didn't need much time to make a 180-degree turnaround. Austerity measures are being rolled back and fired government employees will supposedly be rehired.

There's no disputing that the new socialist government won the election decisively. And can we really be surprised by the election results when a significant portion of the population is approaching the poverty line? How else should a population react? And austerity alone isn't enough to reform a country. Cutting expenditures is very important, but austerity alone just makes everything worse. Much of what the new government has been promising isn't actually possible because there aren't the resources for it. What's important for all states in crisis is that they show a readiness for real structural reform and that the support from the EU is comprised of targeted economic stimulation programmes.

“What Greece and other states in the EU need is something else entirely: they need something to drive growth. But that growth needs time.”

What in your view are concrete measures to help stricken states get back on their feet?

States in crisis must improve competitiveness, in particular through internal efforts. Structural reforms to the labour market that can lead to reduced incidental wage costs, more consistent job placement programmes and subsidies for those setting up a new business would be examples for such activities. Another measure specific to Greece might be further privatization, so as to attract more private investors to the country. One could also see targeted overarching structural programmes to increase the competitiveness of the states in the eurozone. These might be investments in the energy structure, the transport infrastructure, expansion of the broadband network or education.

Aren't we living in paradoxical times? Here within Europe we can see extremely successful companies, yet at the same time cheap money is being used to drive the economy. The United States Federal Reserve Bank pursued this policy for a long time in that country, but it hasn't worked here in Europe. The desired effect isn't taking hold. Liquidity isn't ending up with companies, only with the banks. The recent zero-interest policy has spelled losses for those with savings, and a centralization of the risks.

I see it precisely the same way. This is why I'm warning about very significant risks. Fundamentally what I see in the aforementioned purchase of government bonds is the serious danger that the incentives to save will disappear for public funds. A great deal of money will be

spent – I'm formulating carefully here – on projects that are not goal-oriented. What we need in Europe is precisely the opposite of that. We should not ease up on our efforts to continue reforming our national economies. What's important is that there is a focus on sustainable investment to support a country's competitiveness in the medium and long time. As I've already mentioned, we need a broad package of measures. But sustainable reforms are the only way to remain competitive in the global economy for the long run.

CHALLENGES IN CHINA

Naturally what interests our students in this regard is the strategy at Porsche. You export almost 90 percent of all vehicles built in Germany for international sale. Your largest markets are the USA and China. If you look at the unsatisfactory trends in southern Europe and hold them up against the annual sales records in China, one gets the impression that your prosperity has come to rely on China, or hasn't it?

Right now China is our most important market, together with the USA, although it is one we need to watch very closely. But let me express at this point one very important item from Porsche's point of view: the crisis in the eurozone in particular has affirmed our strategy of sustainable globalization. Porsche is positioned properly on the global stage right now. With the right products on the right markets. This allows us to deal with market fluctuations. We've been enjoying a great deal of success in the USA, which helps compensate for the crisis on the southern European markets among other things. Even some of the countries that just a few years ago were being celebrated, Brazil for example, are going through a soft period. On the flip side, other emerging markets such as South Korea are developing very positively. We've built up our own import organisation there in recent years. We'll continue pushing forward the expansion of our dealer network in many promising emerging markets.

How do you as a car maker regard the current economic trends in China?

If you want to talk about China, you actually need to take a bit of a step back to get a better understanding of the current situation and the future challenges there. If you drive through the large cities of China, you'll see giant, newly built residential buildings that are completely dark. The houses are empty. Even now we can already see a bit of a bubble forming for the real estate market. Growth is already hitting its limits. At the same time most of the large cities are facing strong pollution concerns. The tolerance values for air pollution are several times higher than ours. And even so the values are routinely exceeded. In this regard, new vehicle registrations in the large cities like Peking are increasingly being restricted. So we can't go around thinking that issues in China won't affect us for ten years. That would be a big mistake. The goal is instead to think broadly, with parallel strategies across different fields, instead of betting everything on one card. This applies for the drive technology of the future as well.

FUTURE FACTOR E-MOBILITY

What has Porsche done to date in terms of e-Mobility?

Our strategy is forward-looking, so we of course have incorporated electric mobility into our plans. And we've already delivered some answers. Porsche is currently the world's only car maker to offer three plug-in hybrid models in the premium segment: the Panamera S E-Hybrid, the Cayenne S E-Hybrid and the 918 Spyder supercar, which is already sold out. Through these vehicles we've put our innovative leadership to the test. I'm interested to hear in highly concrete terms what your expectations are for a modern vehicle?

My observation is that the older generation mostly still just listens to radio when they're in the car. The younger generation in particular demands entirely different things from a vehicle. It's already the case that many people view their car as

a type of rolling office. The expectation would thus be that you can not only make phone calls when driving, but also surf the internet, post to twitter and use messenger software.

There really are differences between customer expectations for different brands. One focuses on this theme, another on that theme. When it comes to autonomous driving, for example, there are certainly driving situations for Porsche customers where that could be relevant. Yet purely autonomous driving is not necessarily a prime interest for our customers. Infotainment is an entirely different matter. Applications that bring information and entertainment into the vehicle are the focus for that innovation field. That's what the customers are ultimately expecting from us. The challenge for us here is to research this topic and tap into new business models.

“Our goal is to reduce uncertainty and lay the groundwork for solid forecasting.”

SIGHTS SET ON CURRENCY RISKS

Mr. Meschke, Porsche sells the majority of its vehicles outside the eurozone. That means that you have very high revenues in currencies such as the US dollar, British pound, Japanese yen, Chinese renminbi and Russian ruble. How have you managed to keep a handle on the enormous fluctuations in currency exchange rates and react to them? Or are you more or less at their mercy? Which would mean that your results are constantly influenced by it?

That is truly a key question, since more than 70 percent of our revenues come from outside the eurozone. So right now we're intensively focused on minimising our currency exposure risks. Our goal is to reduce uncertainty and lay the groundwork for solid forecasting. We hedge proactively against future foreign currency income to ensure a stable planning basis. To do so, we secure all key currencies in which we generate revenues. This currency hedging is particularly important in cases in which the euro gains in value against a currency, such as is the case with the ruble right now. These hedges have been an important factor in ensuring that Porsche is at least partially protected against the current dramatic fall of the Russian currency.

Many manufacturers are also trying to shield themselves by moving production to a country with a different currency.

We have no value creation in other countries, but another option for safeguarding involves making purchases in foreign currencies to create a so-called natural hedge. That means that as foreign currency revenues fall due to the strong euro, our purchasing costs in the respective foreign currency fall with it. This is the case in Japan, for example. By making a certain volume of purchases in yen, we mitigate the exchange rate risks for Porsche between euro and yen.

WOMEN IN LEADERSHIP POSITIONS

You routinely rank in the top ten when it comes to “Employer Attractiveness.” As an “Old Economy” company, do you feel that you've done enough to promote equal development between men and women?

There's truly been a lot of movement in this area in recent years. The essential thing when you're addressing this topic is that it really needs to penetrate into the heads of management. Pretty glossy brochures alone aren't going to do much. You have to do more than just project that culture externally. You need to live it internally as well.

Have you thought about implementing a mandatory quota in the future?

A mandatory quota would give rise to massive dissatisfaction within the company. But you do need to set goals. One of those for us is increasing the share of female graduates from the relevant degree programmes among new hires to establish a sufficiently broad personnel substructure. Because that's the only way that we can ensure that the share of women in management positions will rise. And we've achieved a lot within the company in recent years. But I want to make one thing clear: the particular female candidate has to have the right profile.

Mr. Meschke, many thanks for this interesting and profitable event.

I'd like also to express my personal thanks and look forward to further collaborations with the HHL.

PRESTIGIOUS ADDRESS

The HHL was founded in April 1898 as a private commercial college on behalf of Leipzig's Chamber of Industry and Commerce. It was incorporated into the University of Leipzig in 1946. In 1992, it was re-founded as a private university-level school of management. Twenty years later, in 2012, it was officially renamed the HHL Leipzig Graduate School of Management. For many years the HHL has enjoyed a place among the elite in international rankings.

FAVOURITE TOY WITHIN EXTENDED LIMITS

Expressly recommended for imitation – A ride in the Porsche GT3 around the track at the Leipzig factory with racer Michelle Gatting.

Suzuka S, Sunset Bend and Loews. Victoria Turn, Curve di Lesmo, Caracciola Carousel and back to the start. If the mere mention of these legendary chicanes from Monza, Monte Carlo and the Nürburgring get your blood racing, then Leipzig is the place for you. And for us. We've got an appointment. With Michelle Gatting. Tall. Blond. And, at just 21 years of age, the youngest pro racer in the Porsche Carrera Cup.

The morning is foggy and cool. Just looking at the India Red Porsche GT3 positioned in front of the course's signal lights gives a jolt of warmth. Not to mention the thought of soon occupying the passenger seat while female racer Michelle Gatting takes on that track.

With confident steps and an impish smile on her lips, the young woman in white racing overalls heads over toward her favourite toy. She opens the driver side door and glides into the seat.

Michelle Gatting buckles up, turns the key in the ignition, activates the button with the dual exhaust symbol on the centre console, releases the brake pedal and asks: "Slow or fast?" Oh! Fast, please. One, maybe two blinks later, we're out on the course. "It's a little slippery today," she notes after the first curve to the right. "When the track is wet, things get difficult. You can't overestimate yourself, especially not in the GT3," Michelle says. This coming from a woman who at the tender age of 13 celebrated her first championship on the Danish go-kart circuit.

PILOT WITH DEVOTION

But there's a fair dose of respect in her voice: "The GT3 is practically a race car. If you monkey around with it, it'll make an even bigger monkey out of you." The words have barely passed her lips and already the infernal sound pouring from the dual exhaust, a sound that penetrates through every fiber of the body, seems to react to her words on the first long straightaway. The thrust on this little brother to the Cup-ready 911 presses us back into the seats – man and machine become one. The six-cylinder Boxer engine screams up to 9,000 rpm, producing 475 hp from 3.8 l of displacement. "It is after all a Porsche," our pro driver says with a smile. "There will always be a massive difference between a Porsche and other cars. Especially on the GT3." The Danish driver's knowledge of her racing materials is not in question – she successfully passed a selection process at the FIA Institute Academy. No European posted a faster time on the test track than Michelle.

> **"When I'm here, my heart turns into a Porsche logo."**
>
> MICHELLE GATTING

The street-legal competition car blazes forward. It accelerates from 0 to 100 km/h in just 3.5 seconds. 7.9 seconds later the needle clears 200. It doesn't top out until 315 km/h. An acceleration that is felt in the internal organs first. The pro racer still has more than enough air in her lungs to describe the quality of the Leipzig track. "It's a terrific test centre, with several different tracks all together in one place. And everything here is simply Porsche. When I come here, my heart transforms into a Porsche logo."

The FIA-certified oval track was designed by Hermann Tilke, a constructor of race courses from Malaysia to Bahrain who

Michelle Gatting was born on 12/31/1993 in Rungsted. She drove her first go-kart at age seven. From 2006 – 2010 she was a two-time Go-Kart Champion (Denmark) and two-time runner up (Germany). In 2011, Gatting moved to Formula Ford (Denmark) and became the Rookie Champion. From 2012 – 2013 she raced in the Volkswagen Scirocco R-Cup, finishing in fifth place in the final rankings. Since 2013, Michelle Gatting has been part of the junior selection for Porsche Motorsport for the Carrera Cup. In 2014, Gatting was awarded a driver's spot in the Porsche Carrera Cup. Hobbies: Boxing and Crossfit. Idol: Michael Schumacher.

actually received yet another commission last year: the recreation of a legendary piece of the fabled Nürburgring, in its original dimensions, in Leipzig. The Caracciola Carousel – a 450-metre long banking turn on the North Loop of the Green Hell.

Also on site: the "Handling Course," which resembles a country road. Here, not the speed is in the foreground, but especially the skills of the driver. The course offers 2.2 kilometres of realistic rural driving. To test out the braking performance on a wet driving surface, there is also a 150-metre long dynamic surface with a wetting system. The third new element comes in the form of a 120-metre circumference circle. Here drivers learn about the forces that arise during a turn, and how to handle those passages properly. The Saxon metropolis has so many different focuses on offer for a passionate driver. For our dynamic Dane, the expansion of the facility means mainly one thing: "If you're a Porsche freak, you've got to come here. There are also a lot of competent people in Leipzig you can learn from." A typical Gatting quote. Although she's already made a name for herself in a rough-and-tumble motorsports world more typically dominated by men, she remains grounded and humble. She frequently mentions the support of her parents and the family of her boyfriend, without whom a career in racing would be unthinkable.

ELEGANT AS A PIANIST

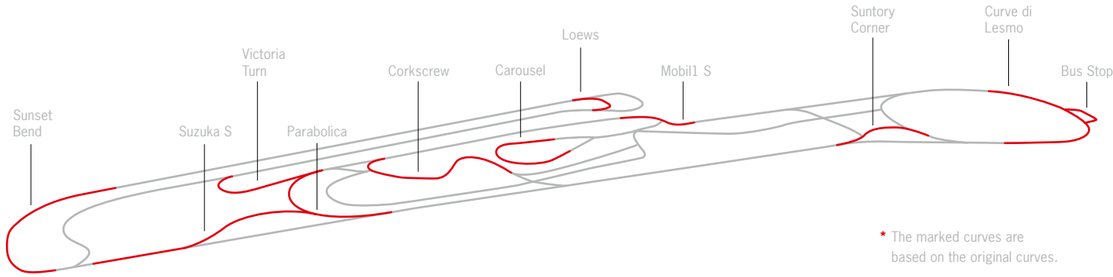
In the meanwhile, Michelle has absolute mastery over the GT3. She works the shifting switches on the steering wheel with the deftness and grace of a pianist. She maneuvers through the left/right combo Suzaka S heading toward Sunset Bend, a right-hand corner that demands a bold shift from second into fourth gear and propels the GT3 with the unmistakable view along the longest straightaway of the course toward the Loews curve. A right-hand turn with a slight rise; the connection between the fastest and the slowest sections of the course. While braking ahead of the early crest, she has to drop speed consistently and shift three times cleanly. Her gaze is firmly on the pavement, since all of her control elements are within arm's reach.

The perfect performance through the Victoria Turn comes courtesy of the magnificently harmonized interplay between the rear-axle steering, standard 7-gear Porsche double clutch transmission and the short gear transmission ratios for which the GT3 is known. And don't forget about the rear track that is 31 mm wider and wheelbase that is 100 mm longer than its predecessor. Taken as a whole: flawless lateral dynamics and maximum on-road stability. Thanks to Porsche Torque Vectoring Plus and the skill of this race-proven driver, the GT3 powers precisely on all four wheels through the turn. No question: The GT3 owns our heart. No if, ands or buts. And Michelle? Her whole heart belongs to Porsche too. Of course!

FIA-certified: the Porsche oval track in Leipzig

EXPERIENCE PROGRAMME

Dreams become real: the circular race track at the Porsche factory is open to anyone, whether as a passenger or in the accompaniment of a trained racing instructor. Various experience programmes are available – and can be combined with a factory tour.



* The marked curves are based on the original curves.

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SALES, PRODUCTION AND PROCUREMENT

SALES

PROFESSIONAL SERVICE

The focus of activities in financial year 2014 was squarely on the market launches of the new Macan SUV series and the super sports car 918 Spyder. Porsche brilliantly mastered the challenge of simultaneously meeting the new customer requirements of the high-volume Macan segment while offering exclusive and individualised customer service for the 918 Spyder. The paramount objective of Porsche After Sales is to offer every customer a tailored and unique service experience.

Extensive construction measures have been realised at a large number of Porsche Centres around the world in order to make it possible to provide optimal service for the significantly increased volume of vehicles following the introduction of the Macan. In addition, Porsche has provided extensive training to more than 4,000 After Sales employees in its global retail organisation, thus preparing them to service all of the new vehicle models and their customers. At the same time, the Porsche Centres were supplied with all of the new spare parts and special tools. The further expansion of the central spare parts warehouse in Sachsenheim played a key role in this aspect.

Groundbreaking new technology and exclusivity are the hallmarks of the 918 Spyder. It is only logical that a sports car of this calibre would also set the bar higher where service and repairs are concerned. Porsche's solution: an exclusive, specially tailored, multi-level service concept for the 918 Spyder. This concept provides for a specially trained team of national and international experts to help Porsche's retail partners find the right approach to every challenge. It therefore ensures that the right specialist is available to perform any work required on any 918 Spyder.

Porsche's premium service offering has been systematically expanded in order to ensure brand and customer exclusivity as well as to enhance long-term customer satisfaction and loyalty following their purchase and in their daily experience of driving the vehicle. The continued development of the spare parts portfolio for engine repairs means that it is now possible to offer customers repairs at prices which reflect the current value of their vehicle. Following the introduction of the Porsche Intelligent Repair Solutions System (PIRS), repair solutions are systematically exchanged throughout the global retail organisation. This has made it possible to drastically reduce the time it takes to diagnose problems and to further increase the quality of repairs.

Growth over recent years means that Porsche After Sales currently services approximately 1.65 million vehicles around the world. That figure will continue to grow in the future. At the same time, Porsche's primary goal will be to offer an exclusive, individualised and unique service experience to Porsche customers.

CUSTOMERS FOR LIFE THANKS TO CUSTOMER ENTHUSIASM

Porsche has been very successful in acquiring new customers and sparking their enthusiasm for the Porsche brand. While satisfied customers will buy another Porsche, enthusiastic customers will recommend a Porsche as die-hard brand ambassadors. The Macan can be considered a complete success: in Germany alone, more than 66 percent of Porsche's customers got their first taste of the brand by driving this model.

Many customers buy Porsche after Porsche, and often own more than one at a time. This marked loyalty of drivers is anchored in the high level of product quality and the premium customer service throughout the entire customer life cycle. Dedicated and professional partners at the Porsche Centres around the world play a vital role in implementing and ensuring compliance with the high level of service offered. Moreover, Porsche was one of the first automotive manufacturers to systematically maintain all key customer contact information in an international Customer Experience Management initiative to ensure that customers receive an exciting customer experience. Porsche customers and prospective customers are contacted approximately 20 times per year. With some five million existing and prospective customers, that makes 100 million opportunities to generate customer enthusiasm every year. The systematic development and introduction of customer service processes take place on a global scale to ensure that customers in every Porsche market can experience the unique experience of buying and owning a Porsche.

THE MOST ATTRACTIVE BRAND

The uniqueness of this customer experience is confirmed by a number of international studies. For instance, according to the renowned U.S.-based market research institution J.D. Power and Associates, Porsche is the most attractive brand. In the Automotive Performance, Execution and Layout Study (APEAL), Porsche was ranked first with a record-breaking number of points, for the tenth time in a row. The 911, Cayenne, Boxster and Cayman models were once again voted best-in-class for their respective segments in the study. The annual survey is conducted on the basis of information provided by more than 86,000 new owners of a total of 239 different models.

In Germany, too, Porsche leads the pack: in the J.D. Power VOSS ("Vehicle Ownership Satisfaction Study"), drivers ranked Porsche as the best automotive brand. Porsche also received extremely high marks in Germany in one of the most wide-ranging auto-related surveys – more than 115,000 readers of "auto, motor und sport" magazine (ams) voted for their candidates for Best Cars 2014 in ten categories; Porsche finished first with the 911 and 911 Cabrio in the sports car and convertible categories.

The readers of the "sport auto" magazine named six Porsche sports cars as the most popular models for the third time in a row. The 911 Carrera S Cabrio, the 911 Turbo S, the 911 Turbo S Cabrio, the 911 GT3, the Boxster and the 918 Spyder all beat their competitors in their respective categories. Two vehicles won the title "2014 World Champion" for the smallest loss of value in percentage terms in the luxury and sports car categories of Auto Bild and Schwacke: the Porsche Panamera 4S Executive and the 911 Carrera S Cabrio. These two are considered the best cars in their classes in terms of stable value.

Porsche received special mention as best automotive manufacturer in the "Germany's Customer Champions 2014" competition. In a competition based on a representative customer survey, the brand's image, performance and frequency of recommendation are assessed, as well as the competence and reliability of employees. In a direct comparison with its competition, Porsche clearly outperforms. In the U.S., Porsche's Lost Customer Programme initiated to win back lost customers was awarded the Stevie Award for Sales and Customer Service, which is bestowed each year by a jury of 200 experts. In addition, the premier consumer advice magazine Kelley Blue Book presented Porsche with a Brand Image Award. After taking the prize in 2011 and 2012, Porsche won the Best Performance Luxury Brand award for the third time in 2014. In addition, the Macan was voted Most Fun SUV of 2014. The 918 Spyder was celebrated by Popular Science with the Best of what's new Award for being the Most Advanced Hybrid Supercar. At the same time, Porsche was named Top Luxury Brand for the second time in a row in AutoPacific's 2014 Ideal Vehicle Awards.

Porsche is focusing on building up and deepening long-term customer relationships. The maxim "customer for life" is an integral component of Porsche's corporate culture. The high level of customer satisfaction underscores this. For this reason, customer enthusiasm is a top priority of the Strategy 2018 initiative.

PRODUCTION

In the financial year 2014, Porsche produced a total of 203,097 vehicles, 22.5 percent more than in the comparable prior-year period. All vehicles of the 911 and 918 model series as well as parts of production of the Boxster rolled off the line at the main plant in Stuttgart-Zuffenhausen. A total of 41,774 sports cars were produced, 31,590 of them 911s. 13,562 units of the Boxster and Cayman were assembled at Volkswagen Osnabrück GmbH. At the Leipzig plant, Porsche produced a total of 147,751 vehicles, with the Cayenne model series accounting for 66,005 units, the Macan model series for 59,363 units and the Panamera model series for 22,383 vehicles.

STRATEGIC PLANT DEVELOPMENT

In financial year 2014, Porsche AG's Executive Board and works council agreed on the strategic development programme for the Zuffenhausen plant which included the further expansion of vehicle assembly and body shell production for Porsche's two-door models. Going forward, the Boxster and the Cayman will be manufactured exclusively at the main plant, as will the 911 and the super sports car 918 Spyder. The planned measures represent an investment of significantly more than 400 million euro.

Boxsters and Caymans have been rolling off production lines at Volkswagen's multi-brand plant in Osnabrück since 2012, and will continue to do so until 2016. Beginning in the summer of 2015, in response to high demand for the Cayenne, Macan and Panamera models, Porsche will in turn also assemble its sporty off-roader, the Cayenne, not only at the Leipzig plant but also in Osnabrück. A further 25 million euro will be invested there in continuation of this successful partnership between the two groups of companies.

SERIES PRODUCTION AT THE MAIN PLANT IN ZUFFENHAUSEN

All variants of the 911 and the Boxster are produced in any given sequence on a single high-tech body shell production line at the Zuffenhausen main plant. Roughly 350 pressed components, profiles, cast parts and subassemblies go into the making of a body shell. The cars' hybrid aluminium-steel construction means that spot welding is no longer the primary method of assembly; instead, cold manufacturing processes have taken over.

The assembly of a mix of models over several storeys is one feature of the Zuffenhausen plant which requires innovative and efficient plant technology as well as a dedicated and highly-qualified staff. This is what makes it possible for Porsche to manufacture by hand cars of the highest quality. Porsche uses a paperless electronic identification system which enables it to identify and locate any vehicle throughout the entire assembly process. The individuality of each and every vehicle makes for highly variable sets of parts and components. A driverless transport system brings the assembly groups for each vehicle to the right vehicle assembly station, just-in-time. This largely eliminates the need to stockpile parts along the assembly line.

Once the body shells have been painted, they are brought to the second storey, where the assembly of the exclusive sports cars continues with the fitting of the interiors. To complete the interior fitting, the vehicles are then lowered into the first storey. The engine, transmission and axles are assembled on a synchronous oval conveyor and lifted into the body shell by elevating platform. And next comes the "marriage": the drivetrain and chassis are bolted to the body. After additional add-on parts and the wheels are attached, the vehicle is put on its wheels for the first time. Once the doors have been mounted, the seats are installed before the finished vehicles are brought by conveyor belt to final assembly on the ground floor, where every vehicle is tested and made ready to be driven for the first time.

FLEXIBLE MANUFACTURING OF 39 ENGINE VARIANTS

Porsche manufactures petrol engines for the Cayenne, Macan, Panamera, Boxster, Cayman and 911 models at the Zuffenhausen plant. A total of 39 different engine variants are built to the highest degree of precision on two assembly lines for Boxer engines and V engines. The V8 engine for the super sports car 918 Spyder is also series-produced at the plant. In the near future, the engines and components area will further expand its range of expertise and take on a supplier role within the Volkswagen Group. Going forward, the new generation of the Group's V8 petrol engines will be assembled in Zuffenhausen. Work began in May 2014 to renew and expand the engine assembly lines used for this. The engine plant is being expanded by approximately 57,000 square metres. Installation of the production facilities will be kicked off in mid-2015.

918 SPYDER BUILT BY PRECISION HANDCRAFT

An eleven-day production schedule for a single vehicle: the Zuffenhausen plant – the cradle of the 918 Spyder – has a rhythm of its own. A symbiosis of true handcraft and high-end technology. The plant, whose assembly facility is housed in the former paint shop, was expanded to an area of 4,000 square metres just for this limited-edition series comprising 918 units. The hybrid super sports car is manufactured by a top-notch team of 80 highly-trained staff at ten main stations and 21 pre-assembly stations. Each station is given 112 minutes per unit. Compare that to four-minute intervals for series production. The production line, which does entirely without robots and conveyor belts, has a fishbone layout, wherein the main assembly line runs the entire length of the brightly lit, 100-metre long factory hall while the pre-assembly lines – for doors and roof, leather upholstery, axles, carbon-fibre monocoque and engine, which is built right at the first seven stations – feed into the main line from either side. This is because, in contrast to series production, the 918 is manufactured from the inside out. The 608 HP V8 combustion engine is manufactured from the ground up by one and the same person within 20 hours. Then, each engine is fuelled and run for an hour on a live test bench under load in order to verify all performance data. The flanging of the combustion engine, e-machine and transmission takes place on a specially developed roller table. Next, the drive assembly including the 70-litre tank and high-voltage battery is "married" to the carbon-fibre monocoque. The radiator, exhaust system, axles, windscreen, wings and interior come next. Once all the liquids (excluding fuel) have been filled and a leak test has been performed, the exterior skin is mounted. Care is taken to ensure that every component sits perfectly and that every gap between components is identical. At the final station of the assembly line, the 918 Spyder is bathed in gleaming light: one final check involving a painstakingly thorough visual inspection. And then off it goes under purely electrical power to the lift, where it descends two storeys to the Porsche testing ground. This is where the super sports car is put through its paces – just as all of its series-produced cousins.

EXPANSION OF THE LEIPZIG PLANT

At its Leipzig plant, Porsche revved up production of its new sports off-roader Macan, which got off to a start in January 2014, reaching full capacity as planned at the middle of the financial year. April saw the model's market launch. Porsche has been running at full speed in Leipzig from the very beginning of financial year 2015, meaning it will manufacture even more vehicles than in the year under review.

Several months after wrapping up its plant expansion for the Porsche Macan (new body shell production and paint shop, enhanced infrastructure), Porsche officially kicked off the next stage in its production plant expansion. Porsche is building a new and innovative body shell production facility in Leipzig for the next generation of its Panamera model. In addition, Panamera manufacturing will also use the newly built paint shop. Porsche is investing approximately 500 million euro to expand its Leipzig plant to facilitate the bumper-to-bumper assembly of the Panamera.

The new body shell production facility at Leipzig is being built at the southern end of the plant. The hall will offer approximately 60,000 square metres of production space. Porsche's new body shell production facility will be among the world's most state-of-the-art; a large number of production processes within the Volkswagen Group will also be transferred to Leipzig. Porsche places a great deal of value on structuring its production processes in a sustainable and environmentally friendly manner. For instance, it seeks out not only energy-efficient production technologies, but also particularly efficient energy supply. This includes the roof photovoltaic system, which already supplies the Macan's body shell production facility with up to 800,000 kWh of CO_2-free solar power – equivalent to the annual electricity consumption of more than 150 four-head households in Western Europe. As it seals off the grounds, Porsche is creating new green spaces and biotopes – including forests, lakes and preserves – elsewhere in Leipzig.

A completely innovative separator system for paint mist has been integrated into the new paint shop at the Macan production facility. This rock-powder-based dry separation method and downstream wet-chemical air purification helps minimise the emission of solvents and fine dust during the painting process. Another unique feature is the use of waste heat from a wood chip power plant used to generate electricity. This biomass power plant covers up to 80 percent of the heating needs of the paint shop using natural resources.

EXPANSION OF THE SACHSENHEIM SPARE PARTS WAREHOUSE

In 2014, the central spare parts warehouse in Sachsenheim saw a 50-percent expansion of its space which went into operation in December. The warehouse, which was expanded from 113,000 to 170,000 square metres, houses more than 100,000 Porsche parts, which are supplied to more than 800 locations around the globe using a state-of-the-art logistics system. A total of nearly 80 million euro was invested in the expansion.

Porsche Logistik GmbH forms the logistical backbone of Porsche's spare parts organisation. It is located a mere 19 kilometres from Porsche's main plant in Zuffenhausen. Ground was first broken in October 2007. A sophisticated, state-of-the-art logistics system using streamlined, efficient processes ensures the highest supply quality at the central spare parts warehouse. More than 500 specialised and dedicated staff handle the logistics and can usually deliver spare parts to all Porsche Centres and dealers around the world within 24 hours. The regional warehouses outside of Germany are also supplied with Porsche parts directly from Sachsenheim. 150 floor conveyors and eleven hauling trains are put to use to accomplish this. The route plan calls for the trains to cover approximately 420 kilometres per day going forward. 200 HGVs deliver and pick up various Porsche parts every day.

In expanding its central spare parts warehouse, Porsche is also sending clear signals when it comes to sustainability. Porsche placed considerable value on sustainable construction to expand its Sachsenheim facility. For instance, the facility has been ISO 50001-certified for energy management since 2011. Under ISO 50001, the facility is audited for compliance with an energy management policy that conserves resources. In addition, new projects are currently looking into innovative ideas. Thus, milestones for energy efficiency enhancement were set as early as the planning stages of the expansion. Overall, the facility uses 44 percent of the energy threshold stipulated in the German Energy Savings Regulation (Energieeinsparverordnung, "EnEV").

TOP QUALITY CONFIRMED

As in the previous year, Porsche again scored top marks overall in the U.S. market research institution J.D. Power's "Initial Quality Study" during the year under review. In addition, the Panamera was named the best vehicle in the entire survey due to the extremely low number of complaints. For the third time in a row, the 911 was named the top "Midsize Premium Sporty Car." As in the previous year, the Boxster placed first in the "Compact Premium Sporty Car" segment, followed directly by the mid-engined Cayman Coupé. In addition to taking the overall trophy, the Panamera was judged the best Large Premium Car. The Cayenne climbed one spot year on year to earn silver in the Midsize Premium SUV segment. Each year, J.D. Power surveys new car owners for its "Initial Quality Study" 90 days after they took delivery of their new car. In the 28th edition of the study, drivers of new cars in the U.S. were surveyed between February and May 2014 on 233 criteria from a variety of categories.

The U.S.-based market researchers also included an assessment of production locations in their findings. The Leipzig plant was recognised as the best European plant. This once again underscores Porsche's standard of perfection across all areas of the company.

PROCUREMENT

Porsche AG again added attractive vehicle projects to its product range in financial year 2014. For instance, procurement successfully ramped up ambitious projects such as the new Cayenne, the GTS derivatives of the sports cars and the 911 Targa thanks to close cooperation with supplier partners.

An additional highlight over the past year was the Company's participation in the World Endurance Championship and, in particular, the associated return of Porsche to Le Mans. In collaboration with all related departments, procurement chose the right partners for the motorsport strategy.

Cooperation is part of the Group's everyday work. We work together to leverage synergies in order to optimise procurement strategies, naturally upholding all attributes inherent to Porsche's identity.

PROCUREMENT OF PRODUCTION MATERIALS

As in years past, the cost of materials per vehicle was optimised in the reporting year. By involving business partners in various cost-focussed workshops at an early stage, the Company and its partners achieved long-term cost savings.

In 2014, Porsche AG's cost of materials came to 3,608 million euro (financial year 2013: 2,751 million euro).

PROCUREMENT OF NON-PRODUCTION MATERIALS

In the reporting period, costs were also significantly reduced for non-production materials and services. Due to the large number of infrastructure projects, the purchasing volume was higher in 2014 than in the previous year.

In 2014, Porsche AG's procurement volume came to 1,374 million euro (financial year 2013: 969 million euro).

ENSURING PRODUCT QUALITY

In financial year 2014, the Company's focus was again on guaranteeing optimal purchased parts quality for all models. Due to the increasing complexity of value chains, procurement launched an initiative to optimise its sub-supplier management system in the reporting period. The improved transparency enabled the Company to identify risks earlier and therefore optimise quality.

STABLE SUPPLY SITUATION FOR PROCURED COMPONENTS

Porsche AG delivered 189,850 vehicles to customers in the reporting year, a new record for the Company. Procurement ensured that all vehicles were supplied at all times.

OPTIMISATION OF PROCESSES AND SYSTEMS

In 2014, procurement also generated synergies by optimising established processes and using standardised IT software as part of the Porsche improvement process. By harmonising the Group's communications and information systems, efficiency was improved. Moreover, numerous processes were made leaner in 2014, which reduced employee workloads.

EMPLOYEE SATISFACTION WITHIN PROCUREMENT

Motivated, satisfied employees were the foundation of the success experienced in the past financial year. We work hand-in-hand with our team to solve problems and optimise processes. This is also underscored by the results of the 2014 employee survey.

SUSTAINABILITY WITHIN PROCUREMENT

Due to the ongoing trend toward more globalised value chains and the growing markets outside of Europe, procurement also focussed on long-term supplier relationships in financial year 2014. Suppliers must now accept our sustainability principles in order to establish a supplier relationship with Porsche AG. This is coordinated in cross-brand strategy teams.

A REAL LOVE STORY

The American success story spans over 60 years, and the love knows no end. No country in the world has more admirers of the Porsche mystique.

The USA is the world number one. Last year, Porsche sold more vehicles there than in any country. The brand continues to excite its customers in every way. Americans love Porsche for its feeling of “everyday magic.” Whether in daily traffic, along fabled dream routes or on the race track. A unique worldwide fan club scene brings added excitement every year, with thousands of events centred on “Fascination Porsche.” We accompanied two extraordinary people – representative of the entire Porsche community in the USA – for a short spell in their way of life with Porsche. Nice to meet you: Brenda Spence from Knoxville, Tennessee and Bob Ingram from Durham, North Carolina.

Porsche fan
Bob Ingram in
his 918 Spyder

A late autumn day in the Smoky Mountains between Tennessee and North Carolina. Traveling with Brenda Spence along Highway 129. The blonde lady from Knoxville skims, surges and corners through the Tail of the Dragon. The legendary stretch along the southern Appalachians seems to be tailor-made for her Cayman. Once a centuries-old secret route of the Cherokee Indians, now a paved, eleven-mile wonderland peppered with 318 curves. The 30 most spectacular of those turns bear names like Rebels Revenge, Gravity Cavity and Porsche Pulloff. Brenda is unflappable:

“Porsche was always rebellious. In particular it was this image of coolness, formed in America, that made the brand cool in Europe as well.”

BERNHARD MAIER
Member of the Executive Board – Sales and Marketing

accelerating, shifting and braking. No bucking, no stuttering. Woman and vehicle are one. Pure pleasure. The asphalt strip through the Appalachian Mountains holds a truly special meaning for Brenda. After all, the Tail of the Dragon was the start of a real love story.

It’s where she took her first-ever ride in a Porsche. Ross, now her husband, gave her a turn at the wheel the first time they went on a drive together three years ago. A drive with lasting consequences. An instant fixation. An absolute delirium. “I fell in love with the brand on that day – my love for Ross came later,” Brenda laughs. Ross gushes about his wife and how she drives. “She’s got it in her blood. She only needs a couple of minutes to understand how a vehicle needs to be handled. She’s an outstanding driver.”

RACE TRACK IN THE MORNING. OPERA IN THE EVENING.

Brenda’s other side becomes clear the next day on the way from her suburban home down to the Knoxville city centre. Pure relaxation for the employee of the local chamber of commerce. She flows regally amidst the other rush hour commuters. The highlight for Brenda comes at the end. “The engine’s echo in the parking garage is simply fantastic.”

Brenda Spence may be an extraordinary driver, but as a Porsche owner she’s actually somewhat typical for a new generation of drivers in the USA. People who get behind the wheel of their Porsche almost every day, wherever they’re driving. “More and more of our customers appreciate that our vehicles are built for everyday life,” says Detlef von Platen, President and CEO of Porsche Cars North America (PCNA), Inc. The phenomenon he describes extends far beyond the storied back routes of America – he’s referring to the feeling of joy that a Porsche gives its drivers every time they grip the wheel. This idea that a sports car from Zuffenhausen is a ride for every occasion has become a firm tenet in the beliefs of the Porsche community. The reason: Porsche is a multiple-time winner in the annual quality surveys by J.D. Power, a market research company. Taking the 911 out

Porsche as a daily companion: Brenda Spence and her husband Ross with their two sports cars

onto the circuit on a Saturday morning, and then gliding over to the opera at night – it’s a unique experience that only owners can appreciate. This feeling of “every day magic” has been winning the hearts and minds of a growing circle of customers. In 2014, the USA ended up as Porsche’s strongest market in the world, with more than 47,000 delivered vehicles sold.

1950: SUCCESSFUL LAUNCH

Porsche’s success as a company is unimaginable without America. In 1950, the first models were displayed in one single showroom in New York. Five years later, one out of every two Porsches sold was in the USA. The first dealer, a man named Maximilian E. Hoffman, was Austrian by birth and looked back on a successful career as an amateur car racer. This experience gave him a good feel for what his customers wanted: extremely light racing cars. The 356 America Roadster was precisely that kind of radical vehicle. With an aluminium chassis, a cloth roof and plastic slip-in windows, the car weighed “only” 600 kilogrammes, a full 170 kilogrammes lighter than the base model. The reward for this uncompromising model strategy: a string of racing successes. “Win on Sunday, sell on Monday,” was the dealer’s unofficial motto. The spectacular victories were the most pulse-pounding – and effective – advertising of the young sports car brand. “To identify chances and seize them, that’s what distinguishes Porsche,” says Bernhard Maier, Member of the Executive Board – Sales and Marketing, in describing the company’s practical philosophy, especially in the USA.

For generations of Americans, the 356 and 911 models are tied to images and stories of their idols. Racing the 1979 Le Mans, Paul Newman drove his Porsche to a second place overall finish. James Dean, Steve McQueen and Robert Redford were or are high-profile Porsche drivers. “Porsche was always rebellious,” Bernhard Maier says. “This image of coolness, forged in America more than anywhere else, helped make the Porsche brand cool in Europe as well,” Maier emphasizes, drawing attention to the importance of Porsche’s sports car success in the USA. For PCNA President and CEO, von Platen, it’s the “fusion of famous German high-quality workmanship and the primal American urge for freedom.”

The latest example is the new 911 Targa. The original Targa celebrated its premiere over 40 years ago, and interest from the USA in particular paved the way for the classic model’s comeback. “Anyone who wants to succeed at the global level has to be successful in the USA,” says Bernhard Maier.

Collector Bob Ingram in front of the former headquarters of American Tobacco in Durham, North Carolina. Only 54 copies of his 1974 911 Carrera RS 3.0 were ever built.

Von Platen is perpetually interested in redefining coolness and freedom as sales arguments. One example is the new U.S. headquarters in Atlanta, where the architecture centres on a racing track, not the administrative building itself. The Experience Centre in this southern metropolis, scheduled to open in may. The sister facility in Carson, California, is expected to open at the end of 2015. Von Platen notes: “By driving to the limits, our customers experience the Porsche magic in a radical and intensive way. They also learn just how safely the cars handle in these extreme situations.” Porsche North America was at the forefront of the movement to harness this customer enthusiasm. All the way back in 1971, Porsche was already offering driver training sessions at tracks on New York’s Long Island.

PASSSION BINDS

The transatlantic success has another unique element in its favour: The Porsche Club of America. Legend holds that twelve Porsche drivers came together in 1955 at a steakhouse in Washington, D.C. – with a VW Beetle driver politely but firmly sent on her way. This intimate get-together was the start of a fan culture that has proliferated incredibly over the years. Today there’s nothing like it in the automotive world. One club has dubbed itself “Riesentöter” (Giant Killer) – a blunt play on the high-powered, large-engine models from American manufacturers. The lightweight, almost delicate models from Zuffenhausen clearly tapped a strong desire: the customer’s wish for a technologically advanced sports car made in outstanding quality and head-turning aesthetics.

The brand’s loyal fans are a powerful block today. The club currently numbers 115,000 members at its 60-year anniversary in 2015, spread out across 143 regions under the aegis of the Porsche Club of America (PCA). Based on those numbers, the PCA is the world’s largest single-marque auto club. Enthusiasts from every state are celebrating their vehicles, and themselves. The PCA even runs a custom series of amateur races with over 2,200 licensed drivers, letting contestants test their mettle at 30 different tracks scattered around North America. There are an amazing 3,500 different events that draw the fans year after year, including rallies, races, parades, the “Concours d’Elegance” and events out in the open countryside. “A truly classless society,” says PCA President Manuel “Manny” Alban. “At the get-togethers and over the course of the club’s everyday doings, the professional backgrounds of the members are irrelevant. The talk is all about the individual

“I absolutely agree with Ferry Porsche’s quote that the next Porsche is always the best Porsche.”

BOB INGRAM
Porsche Collector, Durham, North Carolina

FACTS FROM THE USA

Porsche Cars North America will open its new headquarters in Atlanta in 2015, including a new integrated customer experience centre. The extensive construction project is currently in its final phase. The new opening is part of Porsche’s campaign to expand its brand presence and offer its customers a new opportunity to experience the marque first-hand on the track. 2014 also saw ground broken on another customer experience centre near Los Angeles, expected to be completed in late 2015.

models, the tires, the best polish and the right oil."

HISTORY AND HIGH-TECH

"The cars are the stars, not the drivers," is Bob Ingram's motto. A well-preserved man in his mid-70s, Ingram seems in fact like a tailor-made big-time car guy. The retired executive from the pharmaceuticals industry and long-time CEO of a global corporation has put together a relatively unique collection of historical Porsches in recent years. Few if any collections can compete with the quality of the Ingram collection, is the verdict of many aficionados – sorry: "carrerados."

The Ingram trove is well hidden in the Durham, North Carolina city centre. There are 80 vehicles in this star parade, lined up in a custom show space whose red brick facade gives no indication of the prizes inside. It is a breathtaking review of automotive design history, reaching from the 918 Spyder back to the third oldest 356 model still in existence, built in Gmünd in Austria's Kärnten region. The 918 Spyder super-sports car has only been placed inside the brick hall a few days ago. Purple metal finish. Purple? Sure, it's his wife Jeanie's favourite color. The combination with the green "hybrid" script makes for a truly unusual color combination. What Bob Ingram values in particular is the technological leadership that his new acquisition encompasses. "When it comes to the 918 Spyder, Porsche has achieved a technological breakthrough. The full dimensions of this breakthrough will only be clear in ten to twenty years," gushes the new owner. "And for this reason I agree unconditionally with Ferry Porsche's statement that the next Porsche is always the best Porsche."

History and high-tech are for Ingram the elements from which his passion flows. Porsche is the sole premium manufacturer to offer three plug-in hybrid vehicles in the premium segment, a fact Ingram singles out for praise. Even a car guy like himself goes with the times. He'd be willing to buy a hybrid 911.

The man was hardly born with a silver spoon in his mouth, nor was he predestined to a career as a serious collector. He grew up as the lone son of a single mother who eked out an existence running a mom-and-pop store, enough to pay for a college education for her son. Ingram was 31 when his friend and professional mentor, a father figure in his life, let him drive his brand-new 911 S. After 45 minutes behind the wheel in Florida, Ingram knew that some things in life are worth working hard for. While Brenda from Tennessee caught the Porsche bug in an instant, Bob's incubation time for Porsche Fever lasted over 20 years. It wasn't until 1993 that he could finally stick his own key into the ignition of a 911. "Up to that point I hadn't had any time at all to drive Porsche," says the former top manager, who moved almost 20 times over the course of his professional career.

The long-dormant virus then slowly began to gain ground with the entire Ingram family. His oldest son Rory manages the collection, while the youngest scion Cameron, known to all as "Cam," has made a reputation as one of the USA's finest Porsche restorers. Interestingly enough, the youngest son seemed to be immune to the bug that bit his father so hard. "I couldn't do anything at all with the passion of my father," Cam notes with a grin. It wasn't until the first joint father/son trip to the racetrack in Laguna Seca for the 50th anniversary of the Porsche brand that the trained artist, a specialist in "metal sculpture," finally got hooked. "At one point there was a silver 356 Coupe out ahead of us on the track," Cam remembers, "and all at once I was entranced with the iconic design." So entranced that he went on to specialize in the restoration of historical Porsches.

PORSCHE CLUB COMMUNITY

National Club President Manny Alban considers the chance to view these perfectly restored rarities as the highlight of the annual parade, an event that is borne by the same pure idealism as the work and organization of the PCA itself. Throw in the chance to talk with a member of the Porsche family, and it's enough for any PCA member to declare it a perfect day. In many of the 143 PCA regions there are close ties between the Porsche

Bitten by the Porsche bug: Bob Ingram and his sons Rory (left) and Cameron. The car collection stretches from the third-oldest known 356, still being built in Gmünd at that time, to the 918 Spyder.

“To fit Le Mans into our honeymoon plans, we pushed off the wedding date by almost a year.”

BRENDA SPENCE

Porsche Club Member, Knoxville, Tennessee

Company and individual members of the Porsche family, forged over six decades. “The engagement of the family radiates down into our clubs. Our members are always thrilled when they get to meet Peter, Wolfgang or other members of the family,” says Manny Alban by way of describing a perfect parade day. In the past four decades, Hans-Peter Porsche has been to almost every parade.

Outstanding routes right outside the front door: Brenda Spence knows how to get her Cayman moving just right.

Blood may be thicker than water, but a love for Porsche appears to form a very solid bond of its own. His own family “has grown even closer through Porsche,” says Bob Ingram. However full his event calendar might be, the Saturday morning club meeting over “Cars and Coffee” at a simple cafeteria is always circled in red. Talking shop in front of a typical American rest area. A Styrofoam cup of coffee and a donut are all the refreshments needed. It’s all about the conversations. Experts swapping ideas, not fancy cooking. The biggest concern is finding a parking lot that’s big enough. And by 9 am the meeting breaks up for the ride home. “That’s how things work for most Porsche drivers,” says Bob Ingram with a smile. “I’d better be home on time for breakfast with my wife.”

Porsche turns one person into an early riser and another couple, Brenda and Ross Spence, into delayed newlyweds. The highlight of their honeymoon was to be the 24-hour race in Le Mans. “To fit Le Mans into our travel plans, we had to push back the wedding date by almost a year,” says Brenda. Ross counters: “Although if I’d known that Porsche would be heading to the 2014 starting line in Le Mans in the LMP1 class, we’d have waited another year for the wedding too.”

“The countless sports cars and conversations with Porsche family members are highlights of any Porsche Parade.”

MANNY ALBAN

President of the Porsche Club of America

60 YEARS OF PCA

The Porsche Club of America (PCA) is the brand’s largest club organisation anywhere in the world. It counts roughly 115,000 members, organised into 143 regions. The PCA was founded 60 years ago on September 13, 1955. The annual Porsche Parade, a centralized celebration, is held in a different city each year, with members traveling to join in from around the country – and often from abroad. The 60th Porsche Parade will be held from June 21–27, 2015 in French Lick, Indiana, and will involve an extra-large 60th anniversary celebration.

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EMPLOYEES, SUSTAINABILITY AND ENVIRONMENT

EMPLOYEES

Porsche AG's workforce once again demonstrated its extraordinary drive and tireless commitment in financial year 2014. The ambitious goals which Porsche had set for itself in the reporting year were not only met, but exceeded. Porsche's success can be attributed to its employees' collective and individual dedication, loyalty and flexibility. The team's identification with the company and employees' unflagging motivation rounded out the year. As at the reporting date of 31 December 2014, Porsche AG employed 22,401 people – 15 percent more than in the previous year.

EXCELLENT HUMAN RESOURCES MANAGEMENT

The increase in the number of employees at Porsche AG over the past several years and the associated challenges were essential components of the 2018 HR strategy, which responded with specific HR measures as part of the "Excellent human resources management" programme.

By continuously harmonising and standardising HR processes in line with the Porsche improvement process, the company ensures that all HR processes achieve high-quality results at a fast pace.

Since the HR IT system was expanded, HR information is now more up-to-date and transparent, and large amounts of information can now be channelled.

In particular the training sessions though HR management targeting specific groups help to further the cause of "excellent HR management" by preparing employees to meet future requirements for managing departments.

EMPLOYER APPEAL FURTHER ENHANCED

In the reporting year, as in previous years, Porsche occupied top spots in prestigious employer rankings. Porsche continues to enjoy very high employer appeal, especially in the estimation of prospective and experienced engineers and business graduates. Assessments by IT students and young professionals developed particularly favourably in the reporting period. Furthermore, Porsche ranked first in the "Employee focus" category of Manager Magazin newspaper's "Image profile."

This positive trend was also visible in the latest increase in applications to the Porsche Group, which set a new record at over 100,000 in financial year 2014. The new Porsche eRecruiter application system aids in processing the large number of applications. The introduction of eRecruiter in the reporting period standardised the application processes within Porsche AG and the various subsidiaries, making them more consistent. Interested candidates are able to save and subscribe to searches for relevant job listings. With this new functionality, eRecruiter is making an important contribution to the "excellent HR management" strategy and enhancing Porsche's appeal as an employer.

Porsche AG intends to further increase its competitiveness and attractiveness as an employer. In 2014, the company therefore continued its systematic work to implement the package of measures decided on in 2012 and geared toward additional flexibility and productivity, and an even better work-life balance; numerous programmes and initiatives were rolled out to implement these measures.

EXPANDING EXECUTIVE COMMUNICATIONS

Porsche considers it particularly important that executives communicate transparently and comprehensively. For this reason, a new plan to optimise executive communications was introduced in the reporting period. The plan focussed on increasing the relevance and transparency of information as well as it being provided in a timely, well-structured fashion. In this context, a critical review was performed and all communications channels were then reconfigured.

GROUP-WIDE EMPLOYEE SURVEY AT PORSCHE

Another Group-wide employee survey was carried out at Porsche AG and its German subsidiaries in the reporting period. More than 10,000 employees expressed their opinions on issues such as collaboration with colleagues and supervisors, quality of work, work processes and provision of information on current developments at Porsche. Responses to almost all questions were indicative of higher satisfaction in comparison to the previous year. This development can be attributed specifically to successfully following up on the results of the 2013 employee survey. This involved identifying room for improvement in all departments, developing various measures and implementing them.

CORPORATE CULTURE AND VALUES

The corporate culture is influenced and shaped in large part by the management. This is why executives at Porsche AG and its German subsidiaries attended a series of workshops to discuss in detail the central documents outlining Porsche's corporate culture – the management guidelines, the compliance code and the business rules. Executives worked in various groups to develop a shared understanding of Porsche's values and reflect on any need to adjust their own management styles.

PROMOTING WORK-LIFE BALANCE

In addition to offering its employees an excellent working environment, Porsche wants to enable them to enjoy the highest possible quality of life; as in the past, enhancing the work-family balance was therefore a key area of activity in the reporting year.

For the first time, informational events were held in 2014 for expectant parents and employees on parental leave at the Zuffenhausen and Weissach sites. Employees received information at these events on the topics of birth and finances as well as on internal offers and policies at Porsche.

In order to offer employees on parental leave the opportunity to exchange information amongst themselves, a networking event for these employees was held in the reporting period. In addition to facilitating information sharing, the event was also an opportunity for employees with common interests to build a network.

The number of childcare spots was significantly increased through cooperation with daycare centres at the company's sites. In addition to expanding existing cooperation, daycare options also increased with the new Ferry Porsche daycare centre in Weissach, which provides an additional 45 spots. Beyond the daycare services offered in Weissach during school holidays in 2013, the reporting period saw, for the first time, daycare offered in Zuffenhausen throughout all six weeks of the summer holiday.

In addition to the cooperation agreements referenced above, Porsche also works closely with pme Familienservice GmbH, which offers individual daycare solutions for all life situations. Porsche employees can also use this service to provide support if they have to care for relatives, for example.

Flexible arrangements regarding where and when employees work are also a focus at Porsche. In addition to the option of working from home and options for setting working hours based on an employee's life situation, a work agreement on sabbaticals introduced additional related opportunities for employees in the reporting period. Personal, social or volunteer projects – there are many reasons why employees may wish to take time off. By offering the option of a sabbatical, Porsche enables its employees to achieve a better work-life balance. As part of this option, employees reduce their monthly salary over a period set by them in order to accrue an amount which will allow them to take paid time off. Once the sabbatical has come to an end, employees resume their work activities at a normal salary with normal working hours.

However, not all life situations can be easily planned out. If an employee's family member requires urgent care, the employee must act quickly. In financial year 2014, Porsche and the general works council agreed on a unique policy which extends far beyond the statutory requirements: Porsche caregiver leave. Employees who are called upon to care for ailing family members are dealt a difficult hand. In many cases, there is not enough time to properly respond to the situation. As a result, Porsche is offering its employees new tools to help them master such challenges: When faced with a situation in which a close family member requires urgent care, employees may be relieved of their duties for a maximum of three months – and still continue to receive 75% of their gross monthly salary. Employees may increase their caregiver leave salary to up to 100% of their working salary by cashing in flex time, time credits, etc. Porsche and its employees share the costs for Porsche caregiver leave equally.

EQUAL OPPORTUNITIES AND DIVERSITY

The equal treatment and advancement of women in the working world is a particular priority for Porsche. For this reason, the goal of increasing the percentage of women in the workforce comprises a significant component of the Strategy 2018 in the form of the "Promoting Diversity" initiative. The desired increase is being achieved through targeted basic and advanced training measures, such as workshops and seminars, exchanges involving women experts and specialists, and mentoring opportunities.

These initiatives are already bearing their first fruits. For instance, the number of women executives on the first reporting level has increased to five. The percentage of internal promotions to positions above the collective pay scale and to managerial positions which were awarded to women remained at 15 percent for the financial year.

Established in 2001, the Company's cooperation with Femtec, an important career network committed to promoting young female professionals and management trainees in engineering and scientific professions, was continued in the reporting year and stepped up by offering plant visits and innovation labs as well as providing internships, opportunities to write student theses and direct hiring opportunities.

In the reporting year, Porsche took part in the Germany-wide Girls' Day event for the eleventh time. More than 100 girls from local high schools and secondary schools accepted Porsche's invitation and gained fascinating insights into technical occupations and courses of study at various sites.

Porsche took first place in the "Large company" category of a state-wide competition entitled "Diversity works! A good education for young immigrants" for promoting cultural diversity among trainees.

CONTINUED DEVELOPMENT OF HR MARKETING, MARKETING AIMED AT UNIVERSITIES AND THE PORSCHE TALENT NETWORK

Numerous measures aimed at further strengthening Porsche's excellent employer image were implemented and improved on in the area of HR marketing and marketing aimed at universities in financial year 2014. For instance, more of the new employer image campaign was rolled out in 2014.

In the reporting period, Porsche also increased the number of marketing events at universities in Germany and further stepped up its international activities in this area. As a result, a large number of students were inspired to join Porsche as interns or working students, or to write their final thesis. Following their internships, a large number of them joined the ranks of the Porsche Talent Network and received support in the form of various events and informational offerings.

COOPERATIONS AND SCHOLARSHIPS

Well-trained, dedicated graduates represent a cornerstone of Porsche's corporate success. During the reporting year, Porsche therefore continued to pursue close cooperation with key organisations such as Formula Student Germany, the international student organisation AIESEC and the Foundation of German Business. A concerted effort was made to expand the Formula Student cooperative effort and the Germany Scholarship in particular, and work with these organisations intensified.

Providing the best possible support for outstanding talent is a top priority for Porsche. This is why Porsche also took part in the German Ministry for Education and Research's "Germany Scholarship" as well as in the "Porsche Automotive Campus" (PAC) scholarship programme at Nürtingen-Geislingen University in financial year 2014.

In the reporting year, Porsche awarded a further 45 "Germany Scholarships" and six PAC scholarships to students at a total of 14 selected universities throughout Germany. The aim is to further strengthen teaching and research in Bachelor's and Master's programmes, while providing financial support for outstanding students who are active in their communities.

EDUCATIONAL PARTNERSHIPS

Together with the Baden-Württemberg Ministry for Culture, Youth and Sport, Porsche AG presented the Ferry Porsche Prize for the 13th time in financial year 2014. Prizes went to 250 particularly outstanding school leavers studying mathematics and physics/technology. The prize is intended to increase the appeal of mathematics and natural sciences while motivating the prospective students to study engineering.

In the reporting year 2014, Porsche sponsored for the second time the state prize for vocational schools (Werkrealschulen) established by the Baden-Württemberg Ministry for Culture, Youth and Sport. The prize was awarded for outstanding achievement in the various elective subjects at the vocational schools. Porsche sponsored the 10 prize winners in the elective subject "Nature and Technology." In addition to promoting real-world vocational learning at vocational schools, the aim is to help students transition as directly as possible from school to dual education and training track.

In addition, the close cooperation with the two Stuttgart MINT (math, informatics, natural sciences and technology) high schools, Ferdinand Porsche Gymnasium and Friedrich-Eugens-Gymnasium was continued in the reporting period. Porsche was also actively involved in a large number of activities in 2014, such as organising career fairs, presentations by specialists and field trips for teaching staff and students from the higher years.

FORWARD-LOOKING, REQUIREMENTS-BASED HR AND EXECUTIVE DEVELOPMENT

HR and executive development at Porsche promotes lifelong learning for all groups of employees. The focus is on systematic, forward-looking development of the required abilities and skills as well as on improving prospects and opportunities for professional development at all levels of the Company. This focus is backed by a broad, high-quality range of training options as well as custom HR development programmes which closely involve internal experts. The current offerings for training were therefore increased further in the reporting period; for instance, a multi-sensory, interactive brand training programme was expanded.

The Porsche Trainee Programme was introduced in October as an alternative to direct hiring, but with equal status. The 12-month introductory programme offers university graduates the opportunity to become familiar with the company without being limited by departments and speciality areas, to learn the ropes well and to permanently integrate themselves into the Company. In addition to fundamentals, the programme consists of project phases lasting several months, both in Germany and abroad, as well as assignments in production and a Porsche branch.

In the reporting year, 2,054 new employees from the Porsche Group participated in the national and international induction programmes known as “Porsche Warm Up.” “Porsche Warm Up” disseminates key corporate information and values and promotes the rapid development of a cross-departmental network.

Financial year 2014 was the eighth time the Porsche Talent Promotion programme took place, involving 251 participants; in total, 534 employees have completed the programme. Porsche Talent Promotion is a training programme for high-potential employees under collectively agreed salary arrangements which is designed to systematically prepare them to take on additional management tasks.

The high quality of management at Porsche group is maintained through customised management training programmes. The Porsche Management Programme promotes fundamental management skills for executives. To date, 304 executives have successfully completed the programme. In financial year 2014, an additional 56 participants began the programme.

WORK SAFETY

The continuous growth at Porsche AG also presented the work safety department with numerous challenges in 2014. Intelligent solutions must be developed for renovation and construction projects in order to uphold the high safety and health standards in new offices. Examples include the construction of the engine plant on a plot measuring some 10,000 square metres, an education centre for over 450 new hires, and a quality and analysis centre built on approximately 3,000 square metres at the Zuffenhausen site. Individual, pragmatic measures were developed and implemented for the projects at the Weissach and Sachsenheim sites by involving the work safety department at an early stage. In this financial year, work security experts focussed on safety inspections of offices and on advising executives as they carried out risk assessments.

COMPREHENSIVE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT AT PORSCHE AG

The demographic impact of an ageing workforce in combination with rising productivity presents substantial challenges when it comes to integrating employees whose abilities have changed over time into the manufacture of highly technical/sophisticated vehicles. Employee offices in production and logistics are systematically assessed with regard to agreed ergonomic criteria and continually optimised.

By staging early and well-structured interventions, an integration team ensures, for instance, that employees suffering from long-term illnesses are gradually reincorporated into work processes and that their skills can be appropriately leveraged over the long term.

A seminar has been developed and implemented for executives with disciplinary management responsibilities in order to provide them with skills to manage employees suffering from mental strain or illness by using preventative measures and intervention. The training objectives include imparting the ability to recognise and estimate excessive mental strain, among other skills. Connections are identified between an executive’s own management style and employee health, deepening the executive’s understanding of his or her own mental health as well.

A WORD OF THANKS TO OUR EMPLOYEES

The high level of commitment displayed by our workforce and their outstanding dedication to repeatedly achieving ambitious targets are the keys to our Company’s success. The passion, enthusiasm and manifold ideas of our employees are the hallmarks of Porsche’s unique culture, both within the Company and in the wider world. The Executive Board would like to personally thank each and every employee for their contribution. This gratitude also extends to all of our employee representatives, as the Company’s success is founded on balanced interests pursued with fairness and mutual respect.

SUSTAINABILITY

SPORT

Top stars and talent in women’s tennis
Porsche is supporting the German women’s national tennis team (Porsche Team Deutschland) for the third year. This sponsoring partnership with the German Tennis Federation (DTB) also includes support for upcoming players (Porsche Talent Team). Porsche’s assistance helps increase the professional nature of the world of young female athletes. The talented tennis players receive more intensive individual coaching during practice and at tournaments.

In April 2014, the world’s leading women tennis players met for the 37th time in Stuttgart for the Porsche Tennis Grand Prix. The WTA Premier Tour was a spectacular event which drew over 37,000 visitors in the reporting year. For the sixth time, the tennis players voted to name the Porsche Tennis Grand Prix the best tournament in the world in the Premier 700 category.

The Basketball Academy (BBA) in Ludwigsburg and Porsche agreed on a comprehensive partnership in the reporting year. The BBA is a group of 11 partner clubs and 55 partner schools in which some 2,500 children from the surrounding area come together to play basketball and receive professional coaching. The BBA now goes by the name “Porsche Basketball Academy.” The partnership was entered into for an initial term of three years and is an important component of Porsche’s local youth programmes. Through programmes like this one, the Company has been helping the Bietigheim Steelers develop young ice hockey talent. Porsche’s role as main sponsor of the BBA involves a number of measures. In addition to the basic financial component, Porsche is also supplying its new partner with three vehicles. Moreover, the Company will sponsor three awards per year for BBA athletes; the winners of the categories “Most-improved player,” “Best school performance” and “Largest social engagement” will each receive a cash prize to put toward obtaining their driving licence. Furthermore, one children’s event will be held per year during a home game of the MHP RIESEN Ludwigsburg in the Basketball Bundesliga. In addition, 250 children from the Porsche BBA will be invited to play a game of their own during half-time and shoot some hoops for a good cause.

Porsche and the second-division football club RB Leipzig entered into a forward-looking partnership at the Saxony site. The partnership is focussed on fostering young players. By promoting young talents, Porsche wants to be active in the community and encourage children to play sports. RB Leipzig and Porsche are planning numerous partnership projects to benefit youth: Starting in 2015, a new city tournament will make football accessible to children. An additional project is RBL's "football school" holiday programme, which Porsche will invite disadvantaged children to participate in. The Company also supports the most talented youth teams by sponsoring its own Porsche youth promotion award in collaboration with the Rote Bullen's youth talent centre. Starting in the 2015-2016 season, Porsche is entering into a partnership with the Stuttgarter Kickers, a well-established football club. The Company will foster the Kickers' football-playing youth and its name will be incorporated into that of the football academy. Furthermore, many additional measures in line with the "Turbo for talent" principles have been planned in order to bolster the Kickers' talent-fostering efforts. One goal of these measures will be to obtain certification from the Deutscher Fußball-Bund for the youth talent centre.

Porsche sponsors sustainable projects
With donations totalling 500,000 euro, Porsche AG supported 20 sports clubs in Baden-Württemberg and Saxony in the reporting year. Porsche's sport-related sponsorships in 2014 focussed on the responsible management of resources. Clubs were chosen which show their tremendous dedication to the environment in many different ways.

In 2014, Porsche's sport-related sponsorships were awarded for the third time in close coordination with the German state sport associations in Baden-Württemberg and Saxony. Sport clubs were able to apply to receive sponsorships. For Porsche, the most important criterion is that the clubs take their responsibility to give back to the community seriously. This also includes the contribution which clubs make to protecting the environment.

Ten clubs each from Baden-Württemberg and Saxony convinced Porsche sport sponsoring that their plans deserved sponsorship. The sponsorship winners all set themselves apart in many different ways by showing their commitment to responsibly managing natural resources. The Malsch diving club in Nordbaden, for instance, is active in cleaning up the water and shoreline of Jordan Lake. Another sponsorship was awarded to SG 90 Braunsdorf e.V. for the club's installation of a solar-powered water pump. Additional projects, which garnered sponsorships, included modernising sporting arenas to be energy-efficient and organising environmentally friendly sporting events by making changes to catering and waste collection. Also this year, Porsche sport sponsoring specifically recognised projects and programmes carried out by clubs which generally had not found their way into the public spotlight. Porsche also awarded funds to sponsor football to both German states in the amount of 25,000 euro each.

CULTURE

Partner of the Gewandhaus Orchestra
Porsche has been the main sponsor of the Gewandhaus concert hall in Leipzig since 2011. As a Porsche ambassador, the world-renowned orchestra – like the Cayenne, Panamera and Macan model series which are manufactured in Saxony – proudly proclaims it was "Made in Leipzig" on its international tours and at concerts around the globe. The highlights of the reporting year were the concerts in London and Vienna as well as the tours which saw the Gewandhaus Orchestra travel to China, Japan and the U.S.

In 2014, the Gewandhaus Orchestra also featured at the opening of the Leipzig Opera Ball. Porsche hosted the event for the second time. For 270 years, Leipzig's support of the oldest civilian orchestra in the world has formed the basis of this cultural landmark's success. To mark the beginning of the new concert season in September 2014, the Gewandhaus Orchestra played in front of an audience of more than 15,000 on the Augustusplatz square in Leipzig.

For the first time after a five-year hiatus, Porsche's sponsorship made it possible for the orchestra to resume its widely enjoyed outdoor "Rosental concerts." The Great Concerts (Große Concerte) offer orchestra-goers the opportunity to experience works from the "Last Night of the Proms" with pieces by Georg Friedrich Händel and Benjamin Britten. The soprano Victoria Joyce from the UK was the guest star. Admission to the summer concerts on the Große Wiese was free for all attendees.

Commitment to Stuttgart Ballet
Porsche and the Stuttgart Ballet also have close ties. The absolutely top-class company takes on the role of a Porsche ambassador on its world tours. Last year's highlights were the performances in Bangkok and Singapore. In its hometown, the Stuttgart company wowed audiences with its "Ballet in the Park" event in addition to numerous classical and modern pieces at the Staatstheater. During one weekend in July of the reporting year, the company's professional dancers and members of the John Cranko Schule again put on a free performance at the Schlossgarten.

Porsche feels a particular responsibility to the young talent of the Stuttgart Ballet. With a donation of 10 million euro, Porsche is sponsoring the construction of a new building for the John Cranko Schule. This contribution will be paid in four instalments into the "Foundation for the Promotion of the John Cranko Schule of the Württemberg Staatstheater," which was established for this purpose. This donation will contribute substantially to the school's ability to build a new practice facility for the ballet students. By contributing in this way, Porsche is making clear its intention to maintain a long-term, mutually beneficial partnership.

SOCIAL COMMITMENT

Active in communities worldwide
In the reporting year, Porsche again supported numerous social institutions and projects – mainly at the Company's sites. In Stuttgart, these included Trott-war, a street newspaper, children's wards and clinics such as the "Olgäle," the Stuttgart civil foundation (Bürgerstiftung Stuttgart), hospices, projects to assist disabled persons and various religious organisations. At its Leipzig site, Porsche provides assistance to similar projects and institutions.

Abroad, Porsche sponsors the foundation "Un Techo Para mi País" ("A roof for my country"). Since 2011, volunteer workers have helped slum residents build wooden houses to provide them with improved prospects for their lives. Children particularly benefit from the improved hygienic conditions and from the increased security their new homes provide. The project was initially launched in Mexico, Uruguay and El Salvador. At present, "Un Techo Para Mi País" is active in more than 15 countries in Latin America. In the reporting year, 93 new houses were built. In addition, the foundation also started work on two new pilot projects in Paraguay and El Salvador. The projects provide young people with assistance in starting lives of their own.

Education
Porsche has entered into many partnerships with universities and provides assistance with research projects. Furthermore, the Company runs its own doctoral programme. In the reporting year, Porsche established an endowment chair at the Esslingen University of Applied Sciences, which will concern itself with issues surrounding modern vehicle manufacture in the near future. Other examples of partnerships include those with the Centre for Advanced Studies in Heilbronn, the University of Stuttgart, KIT in Karlsruhe and RWTH in Aachen.

ENVIRONMENT

ELECTROMOBILITY

Porsche AG is an ardent supporter of the plan to establish Germany as a leading supplier of and market for electric vehicles by 2020. The “National Platform for Electromobility” (NPE), an advisory council to the German federal government, remarked that the foundation had been laid in the reporting year for a market ramp-up and for the establishment of a leading international market. Even if the target of 100,000 electric vehicles is not reached by the end of 2014 and instead only 24,000 are produced, the goals of becoming a leading supplier and market will still be within reach. However, this will require enormous effort on the part of all those involved as well as a comprehensive set of measures which must be taken quickly in order to reach the target of putting one million electric vehicles on Germany’s streets by 2020.

At the Paris auto show in the reporting year, Porsche became the first manufacturer to unveil a plug-in hybrid in the premium SUV segment with the Cayenne S E-Hybrid. Depending on driving style and terrain, the new Cayenne S E-Hybrid can be driven up to 36 kilometres solely on electric power. Porsche is the only manufacturer which offers three plug-in hybrids as production models: the Cayenne S E-Hybrid, the Panamera S E-Hybrid and the 918 Spyder. These vehicles allow a majority of everyday driving to be done without burning fuel or producing exhaust.

USING RESOURCES EFFICIENTLY AND PROTECTING THE ENVIRONMENT AT COMPANY SITES

Zuffenhausen – Raising the bar for sustainability
The master plan for renovating the entire “Porsche Plant 4” industrial zone at the headquarters in Stuttgart-Zuffenhausen with a plot measuring over 28 hectares was awarded top marks by the German Sustainable Building Council (Deutsche Gesellschaft für nachhaltiges Bauen, “DGNB”) and received the pre-certificate in gold. The DGNB’s certification system, an international standard, was used as an assessment instrument to thoroughly examine the areas of environmental impact, efficiency, socio-cultural and functional aspects, technology and processes. This makes Porsche – along with two other companies – a pioneer in this area and sets a new standard, as there had been no certification of this kind thus far for sustainable construction in industrial zones. By the end of 2014, the frame of the new engine plant will have been completed on the plot. In addition, an ultra-modern assembly line will have been completed by the beginning of 2016, including logistics space and engine testing systems as well as attractive offices and recreation rooms. Plant 4 will also house a canteen as well as numerous outdoor areas.

In planning the construction work, Porsche greatly values dialogue with nearby residents and townspeople. For instance, an informational event was held in the reporting year at the Zuffenhausen main plant in plant 4 to provide information about the “new Zuffenhausen plant facilities” to residents living adjacent to the plot. At the event, various aspects of planned usage and construction work were explained. The explanations made clear that all construction work would take nearby residents into account to the greatest possible extent. Furthermore, most of the existing green space in particular would be preserved, or additional green space would be created by means of ecological restoration. In the ensuing question and answer session, issues such as traffic and privacy fences were discussed.

With regard to conservation, Porsche was already proving today that measures could be taken, even on an industrial site in the middle of a city such as Zuffenhausen. For instance, Porsche worked with the local conservation authority in the reporting year to install additional nesting and brooding aids for peregrine falcons on a façade. Thanks to this effort, there are now three falcon eyries on the Company’s premises.

Currently, there are additional Porsche plots under review for certification by DGNB. The Company’s goal is to standardise socio-cultural and environmental aspects of sustainability in harmony with the environment at the sites.

Weissach – Advanced technology and energy efficiency working as one
By introducing and certifying an energy management system in addition to the existing environmental management system, Porsche is again proving its commitment to sustainability at the Weissach site. The Zuffenhausen, Leipzig and Sachsenheim sites have been certified since 2011 in accordance with ISO 50001, an international standard promulgated by the International Organization for Standardization (ISO). The Company’s success in certifying its energy management system demonstrates that Porsche is not only innovative and efficient in its work developing and manufacturing vehicles, but also values environmental protection and efficient resource management. As part of these efforts, the sports car manufacturer systematically measures energy flows, which reveals potential cost savings and reduces overall energy consumption, thereby further reducing costs. The introduction of an environmental and energy management system helps to raise general awareness among the Company’s employees as to how they can make the most of potential reductions in resource usage in their areas. These efforts will also make the Company more competitive in the long term, while preserving not only the aesthetics of its vehicles but also of its sites. For example, the Company carried out a comprehensive excavation project in order to integrate the new drivetrain testing facility into the surrounding landscape and the plant’s infrastructure. Porsche consulted with the competent local authority to develop a soil management plan.

Logistics
Each year, Porsche sets environmental targets for logistics. Examples of specific targets include promoting reusable load transporter systems, minimising extra packaging, planning efficient transport, using environmentally responsible transport methods and establishing environmentally responsible processes. At the end of the day, these measures result in fewer resources being used while also reducing emissions and waste. All logistics processes at Porsche are certified in accordance with DIN ISO 14001 and DIN ISO 9001.

As regards procurement logistics, shipping companies engaged by the Company are obliged to comply with requirements affecting the environment, such as those prescribing the use of low-emissions vehicles, regular driver training and agreements on the required maintenance intervals for trucks. Since 2014, all trucks used by shipping companies on behalf of Porsche have at least been in the Euro 5 emissions class.

On the production floor, Porsche subscribes to the short distances principle. Once delivered, materials are funneled directly to the station for assembly, avoiding any unnecessary warehousing steps. This model minimises the number of handling steps and reduces noise pollution.

Materials are supplied internally for production with the help of paper-free order picking systems, such as “pick by light.” The employee tasked with picking is able to view which components to pick directly on the compartment. No pick list is needed when using this system.

After all the components have been picked from the compartments, these are returned to the supplier in a direct exchange. Folding mechanisms on the compartments greatly reduce their transport volume. When returning empty compartments, this system reduces the overall volume by some 80 percent, and more compartments can be loaded onto trucks, thereby minimising transport and the environmental impact.

Porsche invests in green funds
The Executive Board’s decision to implement a green fund at Porsche was another milestone for sustainability in the reporting year. The aim is to fund internal projects which contribute to more efficient resource management and environmental protection. A superordinate environment and energy committee will select the projects from a pool of ideas which have the greatest environmental value for the Company. Any cost reductions will flow back into the green fund over the amortisation period. This will ensure that innovative, sustainable ideas are financed over the long term.

LESS IS MORE

The Porsche Cayman GT4 is a pure sports car. Making it perfect for the racetrack.

Placed on the racing line: Cayman GT4

No radio, no a/c, no frills. In their place: power galore, razor-sharp handling and a hunger for the racing track. The Cayman GT4 encapsulates the essence of the Porsche GT family: performance, lightweight construction and emotion.

Flat, wide, low-slung, boiled down to the very essence of its characteristics. The new Cayman GT4 stands apart, like the product of a long evolution where all superfluous elements have been cleared away and the strengths have been emphasized. It is the first GT sports car in the two-seater mid-engine series and the first Cayman bearing the components of its larger role model, the 911 GT3.

The Cayman GT4 bears its association with the GT family openly. It crouches 30 millimetres closer to the ground, with three striking air intakes on the nose and the large, fixed spoiler differentiating it from the rest of the Cayman series. Everything you'd need for racing is there. Beyond this, there's nothing on it without a good reason. "Naturally, you can always look at a vehicle for its performance. But there's nothing cosmetic here. Every part of this car has a function," says Andreas Preuninger, Director GT product line in Weissach. His hands trace the topography of a chassis that's been shaped on the track, but his words portray an image of innovation and engineering.

RACETRACK-READY AERODYNAMICS

The small, black grilled slits on the front mask: underpressure draws heated air upward here after the large openings below have guided it through the central cooling unit. The side blades on the flanks: they allow air to flow in high volumes into the intake tract for the mid-engine. The large spoiler on the rear, adjustable based on the driving conditions: inherited from motorsports, generating optimal downforce in combination with the diffuser.

The GT4 was created in Weissach. The same place where pure racers like the LMP1 prototype 919 Hybrid were constructed. “Types such as the Cayman R and Cayman GTS come from production and have another objective. The Cayman GT4 is different: more focused, stronger, uncompromising,” Preuninger says.“It was designed by the same engineers who work on our racer cars. You can see it in the Cayman GT4: it’s a purist vehicle with a racing soul. Ready for the racetrack and at the same time an emotional highlight on winding country roads.”

The Cayman GT4 is a driver’s car, a message to the global Porsche GT community of amateur and pro racers who use their own cars on the race track. Reliability was always one of the Porsche GT models’ trump cards: “The cars are driven hard. And they take the punishment,” Preuninger says. The new GT4 and its 385 hp top out at 295 km/h. No Cayman has ever been quicker or more powerful.

> “The Cayman GT4 is different: more focused, powerful, uncompromising. It was designed by the same engineers who work on our racing cars.”
>
> ANDREAS PREUNINGER
> Director GT product line

GROUNDED IN PORSCHE’S GT TRADITION

At the same time, it is building bridges between the traditional and the modern. Like the legendary “Nr. 1” from 1948, the engine on the Cayman GT4 is placed at its centre, behind the backs of the passengers. That first Porsche eventually led to mass production, with the fast and light 356 becoming the first representative of the GT family: the 356 A 1500 GS Carrera “Grand Tourisme.” With the domesticated four-cam engine from the 550 Spyder that had claimed victory in the Carrera Panamericana, the 356 A Carrera GT was more race car than passenger vehicle. As the first GT, it hardened the bond between the race course and daily life, a bond that had been in place for almost 60 years.

In 1999, Porsche released the 911 GT3, which ultimately defined an entirely new genre of car. Across years and series, the GT3 model has become a term and brand entirely its own, the market leader in a segment that, now in its 5th generation, continues to rise in popularity. With each new 911 generation, the share of units for this sportiest of all 911 variants continues to rise. The new GTS RS, with a 500-hp, four-litre high-revving induction engine on the broad chassis of the 911 Turbo, is a benchmark for the class.

Going forward, the Cayman GT4 will be remembered as the entry into the model line, and is positioning itself at the front of its market segment. From a conceptual standpoint, the mid-engine sports car stands in the tradition of the 904 Carrera GTS, 911 GT1, Carrera GT and 918 Spyder. It is not subject to homologation as the 911 GT2 (993) and 911 GT3 (996) once were. The developers weren’t aiming at creating the base vehicle for a racing class, but rather establishing a perfect balance between price and performance.

OUTFITTED WITH THE DNA OF THE 911 GT3

The basis is a 3.8-litre, six-cylinder Boxer engine with 385 hp, derived from the transmission on the 911 Carrera S. The new GT sports car is oriented toward the 911 GT3, with numerous components adopted, Andreas Preuninger emphasizes: “The front axle and brakes, the bucket seats and side mirrors.” The front end with its characteristic air inlets and headlights with black covers remind of the GT3’s style, as do the 20-inch wheels. The rear lights glow in a special dark cherry red, while the inside is dominated by a minimalist style. Pull handles in the same color as the vehicle itself are used to open the doors – reminiscent of earlier sports models. The volumes of the luggage space in the front and rear have both not been reduced by a litre, the flexibility is still retained. The Cayman GT4 is pure reason and pure seduction all at once.

“We could have made it even faster, with 300 km/h no problem at all from a technical standpoint. But the balance between the cw value and downforce must also be optimal, and the extra 5 km/h were essentially meaningless.” The well-informed Porsche GT customer base, Preuninger says, understands the benefits of the mid-engine placement. “The pilot is extremely involved in the driving. For this reason the Cayman GT4 also only comes with a six-gear manual transmission.

Absolutely, the PDK shifts quicker, but is also heavier and more complex. The control system on the transmission can be deactivated in stages, but the Porsche Active Suspension Management is standard – the mix of price, performance and emotion is perfect. The Cayman GT4 is unmatched in its market segment,” says Andreas Preuninger.

Less is not always more. The PCPB ceramic braking system and the Clubsport package with roll cage, fire extinguisher and full bucket seats made of light, carbon reinforced plastic and a six-point safety belt are optional. The Cayman GT4 is unlike any Porsche that came before it, but it is also undeniably a Porsche. “7.40 minutes for a lap on the North Loop of the Nürburgring – that’s the gold standard for its class. The little guy has gotten mighty big,” says Andreas Preuninger with satisfaction. Or in other words: the Cayman GT4 is a real Porsche.

Drive

3.8 l, six cylinders taken from the 911 Carrera S, with 385 hp (283 kW) and enhanced six-speed manual transmission: zero to 100 km/h in 4.4 seconds, top speed 295 km/h. Dynamic power reserves for all challenges on the course.

Aerodynamics

The first Cayman with downforce: front spoiler and fixed rear wing generate downforce on the front and rear axles. As such, the Cayman GT4 offers even greater driving stability and extraordinary performance through curves.

Chassis

World-class technology: chassis and braking system originate primarily from the 911 GT3. Active PASM dampening system and dynamic gearbox bearing designed for motorsports-style driving.

Racetrack DNA: the rear wing on the Cayman GT4 can be adjusted for different situations.

A STRONG LINE OF ANCESTORS

The GT formula. Two letters, an abbreviation, a promise: faster than the rest.

From daily life to the race track and back. The commute to work during the week, a trip to the podium on the weekend. Almost 60 years ago the GT formula was launched as a mix of performance, lightweight construction and emotion.

The first Porsche with the term “Gran Turismo” in its name appeared in 1957: the 100-hp **356 A 1500 GS Carrera**. The abbreviation in the name of this vehicle, which proved capable of hitting 200 km/h, actually stood for “Granturismo Sport.” A little later, the 1500 GS was joined by the even more powerful GT, although thereafter the reduced GT package was reserved for the 356 A Coupé and Speedster. In 1958, the displacement was boosted from 1,498 to 1,588 ccm, with the output jumping to 115 hp. Taken together with aluminium doors, hoods and wheels, the 356 A Carrera would ultimately shape Porsche’s thinking for the GT line, with the 145 hp of that model showing how a lightweight yet powerful street-legal vehicle could still claim a place on the racetrack.


356 A 1500 GS Carrera

In the 60s, the terms Porsche and GT went through a series of different interpretations. The uncompromising 356 Carrera B GTL Abarth stood for pure racing prowess, while the 356 Carrera B 2000 GS-GT (140 hp) was the most powerful production-class GT of an entire Porsche generation. The groundbreaking 904 Carrera GTS from 1964 – designed by Ferdinand Alexander “Butzi” Porsche, father of the 911 designs – took this even further, combining the construction principle behind the mid-engine with the ultra-modern chassis made of lightweight GFRP.

Since 1964 it has been the new **Porsche 911** that has earned plaudits from testers, customers and racers. Models like the 911 R, ST and the legendary Carrera RS 2.7 roll off the line with a reduced features package and boosted performance, taking upon themselves at varying levels of intensity the role that the 356 GT once played.


Carrera GT

It wasn’t until 1980 that a model appeared bearing the tradition-rich GT tag. The **924 Carrera GT** was a worthy representative of the line originally founded in 1955, as it stood out for a lack of frills, a shape clearly derived from the racing line and an enhanced-performance four-cylinder turbo motor. There is also a GT with eight cylinders. The lively handling **928 GT** with a five-speed manual transmission appeared in 1989.


GT1

In-between: the **Carrera GT** from 2003, a potent technological marvel and the flagship for the brand. With a ten-cylinder induction engine, 612 hp and top speed of 330 km/h. More a Le Mans competitor and supercar than an auto for the here and now, to which the GT1 belongs.

The most radical offshoot in the GT family came in 1996. With components of the 911 and a newly redesigned chassis and Biturbo mid-engine, the **GT1** has two faces. It’s street legal for daily use, yet also qualified for the 24-hour Le Mans race.

Roughly two months after qualifying for street use, a Porsche GT1 won its class at Le Mans and was third in the overall standings. Some 25 street-legal versions of the GT1 are joined by enhanced racing cars: 1998 saw two Porsche GT1s finish first and second at Le Mans.

The **911 GT3**, introduced in 1999, remains even today the embodiment of lightweight construction, power and emotion – and thus the core of the entire Porsche brand. The water-cooled, 360-hp transmission has its roots in the sports prototype. It is available for delivery in a Clubsport version for racing use at the same price as the street-legal version of the GT3. The high-revving engine concept and rear-wheel drive are mandatory elements, including for the 911 GT3 RS, whose appearance in 2003 laid the groundwork for future models such as the GT3 RSR and GT3 R Hybrid.

The GT3 boasts 500 hp in its current RS version, with a 4-litre induction motor capable of revving up to 8,880 revolutions per minute. The GT3 RS can go from zero to 200 km/h in just 10.9 seconds. For the first time, a street-legal Porsche 911 model features a magnesium roof and mixed tires (21 inches at the rear) and wheel-well ventilation in the front fiberglass fender of the kind normally seen on the racetrack. The GT formula continues to adapt and rise above.

The **911 GT2 (993)** marked the beginning of a new era in the mid-90s. 40 years after the debut of the 356 A 1500 GS Carrera, the first GT version of a 911 was released, with the GT2 relying on supercharging instead of RPMs – up until today. Based on the new all-wheel drive 911 Turbo (993), “Porsche continues its tradition of offering its customers a competitive car model for a broad range of sporting leisure.” For weight reasons, the GT2 (Biturbo supercharger, 430 hp, top speed 295 km/h) is only offered with rear-wheel drive. The seats cannot be leaned backward, the trunk hood and doors are made of aluminium, while the rear windows and side panes are made of thin glass. 911 GT is written on the rear – and to save weight, the lettering is only glued on. 1995’s GT2 marks the start of a new, distinct GT history, which in 2010 found its climax in the GT2 RS: only 500 units of this 620-hp machine were produced – the most powerful street-legal Porsche ever.


904 Carrera GTS


911 GT3

CHALLENGING ROADS AND MAJESTIC LANDSCAPES

More than 800 kilometres along demanding roads – the Ennstal-Classic is a challenge and a pleasure all at once.

Ambitious special test: the Ennstal-Classic puts strong demands on both driver and vehicle.

Driving cars in the last paradise – that's the Ennsta-Classic, held annually on Austria's loveliest alpine routes. Roughly 200 classic automobiles will be participating, making it as much as rolling museum as a race. Porsche has been the primary sponsor for this renowned competition since 2014.

The Porsche 356 rolls slowly down the start ramp. It's just after eight in the morning. Despite the early hour, throngs of spectators line the street from Gröbming in Styria's Ennstal Valley as it runs toward Stoderzinken. Andreas Kainer listens intently to the uniform sounds from the compact four-cylinder Boxer motor, then casts an expert eye over the sports car's instrument panel – everything seems fine. He's giddy with anticipation about what lies ahead, and a bit worked up as well: the Ennstal-Classic is slated to see his 356 Coupé make a triumphant return to the streets after extensive restorations. Kainer fiddles a bit with the gas pedal, checks the precision of the steering and gets a feel for how the tires are gripping the roadway. His co-pilot gives the thumbs up sign from the passenger seat, followed by a broad grin. The experienced team approaches the start line for the first special review of this Ennstal-Classic – and then his 356 passes through the light barrier at the foot of the mountain. Their route will take them 8,258 metres in total along the winding (and closed) road to Stoderzinken. The goal is not to go as fast as possible, but rather as precisely as possible at the proscribed average speed of 48.2 km/h, all documented through a merciless set of timing checkpoints. Kainer is responsible for keeping the car rolling smoothly and steadily, while his colleague keeps a mechanical stopwatch running to help get the timing just right. They move quickly up the 2,000-metre mountain, and after roughly ten minutes they trip the light barrier and

head for the Rossfeld parking lot. They've gathered crucial data: the drive was smooth, but slightly under optimal conditions. Even so, ground has been broken for this year's running of the classic car event.

"When we held the event for the first time back in 1993, we drew our line in the sand at 1972 models, because from our vantage point there are just so many fascinating cars built before then," explains organizer Michael Glöckner. "And we just ended up leaving it there. One side effect: the starting field gets older and as such more interesting every year." Glöckner, formerly a motorsports photographer and tourism director in Gröbming, created the Ennstal-Classic in collaboration with Formula 1 journalist Helmut Zwickl. "The mix of competitive driving, grand landscapes, Austrian hospitality and relaxed shop talk are what make the Ennstal-Classic special," Zwickl says. "Where else can you find this kind of combination?"

This is precisely the recipe cooked up by the Ennstal-Classic for the international classic car circuit. Fans flock to the event. Some love the idea of piloting their own old-timer through carefully selected, low-traffic streets across four Austrian provinces – the number of applications far outstrips the capacity every year. Others look forward to standing at the start, finish or way stations of this rolling museum.

ON THE HUNT FOR SPECIAL MOMENTS

2014 marks Andreas Kainer's fourth year in the race. He's already returned back from Stoderzinken, following a carefully laid-out route that runs along the Nockalm and the Turracher Höhe toward the Red Bull Ring in Spielberg, one of the further highlights of the day. His sports car, built in 1955 in Zuffenhausen, is the oldest 356 in the field, and the second-oldest Porsche: a 550 Spyder from the factory museum rolled across the start line a few minutes ahead of him. Kainer thinks the silver racer is somewhere around the next crest, ahead of other classic cars, and hopes at some point in the day to follow in its slipstream. It remains to be seen whether it'll happen. But the fun is already well underway: he's become one with his driving machine, flowing through curves and switchbacks in an ideal rhythm. "When I get in the zone like this, I become a hunter of special moments," he says, eyes blazing. "Out here you find them on nearly every metre of pavement."

The 365 in the extremely rare Bent-Window Pre A Continental version approaches a curve. Kainer double-clutches into third and then back down into second gear. The needle on the tachometer hangs at roughly 3,000 rpm. Following the ideal line precisely, he heads first right, then immediately left through the next straightaway. Kainer depresses the gas and the Boxer motor responds. "The car is happy when it can rev to between 3,000 and 5,000 rpm. It runs more or less on its own then. But you have to trust it and let it carry that speed, because otherwise it won't have the power in the mountains to accelerate going uphill."

PROMINENT DRIVERS AT THE STARTING LINE

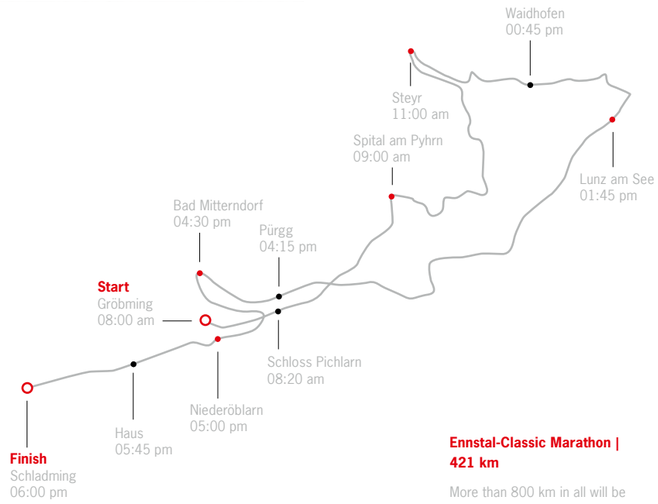
Extraordinary moments are par for the course at the Ennstal-Classic – from the landscape, from the cars, from the discussions. It doesn't hurt that there's a high density of prominent rally and racing drivers on hand, lured by the charms of the event and the classic cars they'll be piloting along the course. A small "Who's Who" of elite motorsports has coalesced over the years, with lots of big names finding their way to the "last paradise." The full list would easily fill 20 rows. Among the starters for 2014: Jacky Ickx, Marc Lieb, Walter Röhrl and Hans-Joachim "Striezel" Stuck, all driving Porsche.

The company has transported rare and valuable vehicles from its Stuttgart museum to take part in the Austrian festivities. Ickx is driving a 550 Spyder from 1955, Röhrl is piloting a 718/8 W-RS from 1962 and Stuck is at the wheel of a 356 Carrera GT from 1960. Having already received masterful care from the museum's workshop, they are fine tools in the hands of these skilled drivers.

Rolling museum: The course travels through numerous towns – here the marketplace in Steyr.

Marc Lieb proves a major head-turner among the spectators after taking an unofficial exhibition run in a 911 GT1 from 1998.

Walter Röhrl, considered by many the finest rally driver in the world, is a familiar face in Gröbming. He and his wife were on hand for the inaugural Ennstal-Classic in 1993, and in fact claimed the event's first victory. He repeated the feat in 1997 together with former Porsche engineer and racing director Peter Falk. For 2014, Röhrl decided to participate in the Chopard Racecar Trophy, a separate competition



conducted parallel to the Ennstal-Classic. “The 718 is driving simply wonderfully,” he gushes. “The steering, the five-speed transmission, the motor – everything is working with unbeatable precision. You’d never think that you’re sitting in a car that’s more than 50 years old.” Spurred by this experience, he took the tight curves along the closed-off mountain roads, including up to the Tauplitzalm, and then for a lap on the Red Bull Ring. “What a true pleasure. Tremendous roads and tremendous old cars – the organisers have really done an ideal job of combining both ingredients.”

While the Ennstal-Classic, which Porsche sponsors, involves normal street-legal classic cars driving at moderate speeds on public roads, the Chopard Racecar Trophy (inaugural running: 2013) has been bringing together racing vehicles from 1983 and earlier. They drive on faster tires – but also solely on closed-off roads.

DEMANDING TASKS FOR ON THE GO

The two events share a competitive nature: speed and skill are decisive for victory. To be fair, the Ennstal-Classic isn’t aiming for maximum speeds, but rather precision adherence to specific time requirements for each section of the course. And only mechanical stopwatches are allowed – all electronic aids are banned. “The level of qualification for the participants is immensely high,” says Michael Glöckner. “Hundredths of a second make the difference between victory and defeat. It’s a real battle.” For this reason the winner’s cup from the Ennstal-Classic carries a healthy dose of prestige on the international classic car scene. As Glöckner expresses it: “Competitive auto driving is at the heart of our event. The beautiful landscape and the atmosphere all around are magnificent side benefits.” The fields will cover more than 800 kilometres within four days – a demanding task for both man and machine. The weather also has its own ideas at times – drivers in some of the open-top classic cars will likely have to live with rain in their faces. And yet oddly enough, those are often the days where the smiles are the widest.

EXQUISITE VEHICLES FROM THE PORSCHE MUSEUM

The participants are all enthusiastic about Porsche’s commitment to the event. “It fits so perfectly because the brand has its origins in Austria,” Andreas Kainer says. Company founder Ferdinand Porsche was born in Austria-Hungary, built the first 356 in the early days after World War II and, even today, many of the family’s members actually live in this alpine country. Dr. Wolfgang Porsche himself has driven in the Ennstal-Classic several times.

Straightaways, curves and switchbacks: the Ennstal-Classic is a delight for drivers and vehicles alike.

The real treat is the vehicles brought down from the company’s museum. “Super being able to experience these cars here,” Kainer says. And naturally the celebrity drivers as well. “By bringing them along, Porsche is really giving a gift to all participants and spectators. The rally and race car drivers were the idols of my youth. Now we’re driving in the same event – really a dream come true for me.” That said, it’s not just about the presence of the illustrious guests, but rather the accessibility. “There’s a very familiar atmosphere at the Ennstal-Classic. Everybody talks with everyone, and stands on equal footing as they talk about their experiences on the road.” Yet it’s the cars that are the real VIPs.

Walter Röhrl (68) has been a fan of the Ennstal-Classic from the start. He was on hand at the inaugural running in 1993.

At lunchtime, Kainer checks the oil level on his 356 – the amber-coloured liquid is within the markings on the dipstick. It’s not his only classic Porsche model. “I drive often with my antique sports cars, every day in summer, and I’ve never broken down yet,” he explains. “Despite their age, the cars are really unstoppable. Sure, you can’t demand too much of them and they need to be maintained professionally. But in exchange they still provide a tremendously fun ride.”

“The 718 drives simply wonderfully. You’d never believe that you’re in a car that’s more than 50 years old.”

WALTER RÖHRL

He and his passenger are making preparations to head off on the next segment of the course. Using both force and a fine touch, Kainer pushes the hood into its latch. His hands feel the residual warmth in the metal, which will soon be heating back up once the motor is running hard. He’ll turn the ignition key, listen to the Boxer engine purr, wait for the start signal and head out onto the course with his sports car. The impressive environment, the sound of rolling tires and wind, the connection between the driver, seat and chassis and the pavement, his foot feeding or starving the motor of gas, the joyous noise – in other words, the entire magic ambiance of this Ennstal-Classic: and then he’s off, a hunter of special moments.

JULY 15 – 18, 2015

This year’s Ennstal-Classic and Chopard Racecar Trophy will be held from July 15 – 18, 2015. The start field has already been set – and the rolling museum is ready to head to the starting line. Porsche will once again be contributing special vehicles for the collection, piloted by notable race and rally drivers.

FINANCIAL ANALYSIS

NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

NET ASSETS

As of December 31, 2014, the total assets of the Porsche AG group stood at 26,060 million euro, 6 percent higher than on the prior-year reporting date.

Non-current assets increased by 1,389 million euro to 19,781 million euro. The absolute increase relates mainly to fixed assets and to deferred taxes. This was counterbalanced in other receivables and assets by a decrease in non-current derivative financial instruments. Non-current assets expressed as a percentage of total assets amounted to 76 percent (prior year: 75 percent).

At the end of the reporting period, the fixed assets of the Porsche AG group – i.e., the intangible assets, property, plant and equipment, leased assets, equity-accounted investments and other equity investments – came to 9,691 million euro, compared with 8,539 million euro in the previous year. Since the acquisition of additional shares of 4 percent, Bertrandt AG, Ehningen, has been included in the consolidated financial statements of the Porsche AG group and accounted for using the equity method.

Fixed assets expressed as a percentage of total assets increased to 37 percent (prior year: 35 percent). Intangible assets increased from 2,590 million euro to 2,953 million euro. The increase mainly relates to capitalised development costs. The largest additions relate to the Panamera and 911 model series. Property, plant and equipment increased in comparison to the prior year by 152 million euro to 4,087 million euro, primarily due to additions to other equipment, furniture and fixtures. These additions consist mainly of tools for the new generations of vehicles. Leased assets increased by 586 million euro in comparison to the prior year to 2,294 million euro. This item contains vehicles leased to customers under operating leases.

Non-current other receivables and assets decreased by 285 million euro, primarily as a result of currency effects relating to the derivative financial instruments.

Deferred tax assets totalled 562 million euro compared to 165 million euro in the prior year. The increase consisted primarily of deferred taxes on pension provisions and derivative financial instruments.

As a percentage of total assets, current assets amount to 24 percent compared to 25 percent in the prior year. Inventories increased from 1,589 million euro in the prior year to 2,157 million euro at the end of the reporting period. In comparison to the prior reporting date, there was an increase of approximately 7,700 units in new vehicle inventories.

Non-current and current receivables from financial services rose from 1,550 million euro to 1,696 million euro. This item mainly contains receivables from finance leases and receivables from customer and dealer financing.

Current other receivables and assets declined by 629 million euro to 1,304 million euro. The decrease in current loan receivables is countered by a slightly higher balance on the clearing account with Porsche Holding Stuttgart GmbH. A loan receivable of 1,177 million euro outstanding in the previous year was offset against a corresponding financial liability in August 2014. The financial liability of 136 million euro remaining after the offset was repaid.

Cash and cash equivalents were almost unchanged compared with the previous year at 1,560 million euro.

The equity of the Porsche AG group increased by 560 million euro to 9,599 million euro compared to the prior-year reporting date. The profit after tax and profit transfer of 971 million euro together with currency translation differences and a capital contribution by Porsche Holding Stuttgart GmbH amounting to 829 million euro generated increases in equity.

On the other hand, the change in the cash flow hedge reserve of 632 million euro after tax, the effect of marking securities to market amounting to 254 million euro and a charge of 458 million euro resulting from the remeasurement of pension plans all represented reductions in equity.

Non-current liabilities mainly relate to financial liabilities, pension provisions, deferred tax liabilities, other liabilities and other provisions. They recorded a significant increase of 990 million euro to 7,950 million euro in comparison to the prior year. Non-current liabilities expressed as a percentage of total capital rose from 28 percent in the prior year to 30 percent at the end of the financial year. At the same time, non-current financial liabilities fell by 256 million euro. This decrease mainly reflects the change in the remaining term of debenture bonds classified as non-current in the previous year.

NET ASSETS OF THE PORSCHE AG GROUP

€ million	Dec. 31, 2014	%	Dec. 31, 2013	%
ASSETS				
Intangible assets	2,953	11	2,590	11
Property, plant and equipment	4,087	16	3,935	16
Equity-accounted investments	334	1	–	–
Other equity investments	23	0	306	1
Leased assets	2,294	9	1,708	7
Receivables from financial services	1,140	5	1,006	4
Other receivables and assets	8,372	32	8,657	35
Income tax assets	16	0	25	0
Deferred tax assets	562	2	165	1
Non-current assets	**19,781**	**76**	**18,392**	**75**
Inventories	2,157	8	1,589	7
Trade receivables	522	2	424	2
Receivables from financial services	556	2	544	2
Other receivables and assets	1,304	5	1,933	8
Income tax assets	141	1	54	0
Securities	39	0	54	0
Cash and cash equivalents	1,560	6	1,570	6
Current assets	**6,279**	**24**	**6,168**	**25**
	26,060	**100**	**24,560**	**100**
EQUITY AND LIABILITIES				
Equity	**9,599**	**37**	**9,039**	**37**
Provisions for pensions and similar obligations	2,361	9	1,544	6
Income tax provisions	–	–	2	0
Other provisions	811	3	715	3
Deferred tax liabilities	684	3	719	3
Financial liabilities	3,469	13	3,725	15
Other liabilities	625	2	255	1
Non-current liabilities	**7,950**	**30**	**6,960**	**28**
Income tax provisions	80	0	52	0
Other provisions	1,337	5	1,214	5
Financial liabilities	1,884	8	2,946	12
Trade payables	1,856	7	1,485	7
Other liabilities	2,868	11	2,524	10
Income tax liabilities	486	2	340	1
Current liabilities	**8,511**	**33**	**8,561**	**35**
	26,060	**100**	**24,560**	**100**

Provisions for pensions and similar obligations rose by 817 million euro. The increase resulted mainly from the change in the German actuarial rate of interest applied from 3.7 percent to 2.3 percent.

Non-current other liabilities recorded growth of 370 million euro. The increase mainly relates to marking derivative financial instruments to market.

Current liabilities fell only slightly from 8,561 million euro to 8,511 million euro. Current liabilities expressed as a percentage of total capital declined from 35 percent in the prior year to 33 percent as of December 31, 2014. Current financial liabilities fell by 1,062 million euro. The reduction resulting from the offset against loan receivables (see current other receivables) was set against an increase due to the change in the maturity structure of the debenture bonds.

Deferred tax liabilities amounted to 684 million euro compared with 719 million euro in the prior year.

Trade payables increased to 1,856 million euro after 1,485 million euro in the previous year. The increase is attributable to higher volumes of investments and business.

Current other liabilities amounted to 2,868 million euro (prior year: 2,524 million euro).

FINANCIAL POSITION

Cash flows from operating activities came to 3,179 million euro in the 2014 reporting period following 2,917 million euro in the prior year. The significant factors were an increased profit, depreciation and amortization, conversely higher income tax payments, and a higher level of funds tied up in working capital.

The cash flows from investing activities resulted in a cash outflow of 2,248 million euro in the reporting period following 2,090 million euro in the prior year. Investments in intangible assets (excluding development costs capitalized) and property, plant and equipment declined from 1,421 million euro in the previous year to 1,047 million euro in the period under review. Additions to capitalized development costs amount to 1,067 million euro following 815 million euro in financial year 2013.

There was a change in cash flows from financing activities from minus 197 million euro in the prior year to minus 978 million euro in the most recent financial year.

The significant increase in the outflow of funds compared with the previous year is mainly attributable to the payment of 1,414 million euro made during the reporting year in respect of the profit transfer to shareholders. This was offset by a capital contribution amounting to 829 million euro made by Porsche Holding Stuttgart GmbH.

The net available liquidity of the automotive division - i.e. its gross liquidity less financial liabilities and excluding the financial services business in each case - improved from minus 899 million euro as at December 31, 2013 to 195 million euro as at December 31, 2014.

RESULTS OF OPERATIONS

The Porsche AG group's profit after tax increased by 262 million euro from 1,939 million euro in the corresponding prior-year period to 2,201 million euro in the reporting period. The tax rate in the reporting period was 28 percent (prior year: 30 percent).

Group revenue of the Porsche AG group was 17,205 million euro in the reporting period (prior year: 14,326 million euro). In the past financial year, the Porsche AG group sold 187,208 vehicles. This corresponds to an increase in unit sales of 21 percent compared to the prior year. The principal contribution to the growth in sales volume and revenue was made by the new Macan model with 48,569 vehicles sold. Sales of the Cayenne model declined by 13,883 vehicles due to a change of model.

The cost of sales increased dependent on revenue to 12,885 million euro (prior year: 10,139 million euro) which represents 75 percent of revenue (prior year: 71 percent). The reduction in the gross margin from 29 percent to 25 percent is mainly the result of the changes in the product mix following the introduction of the Macan model as well as increased expenses in the area of research and development. The capitalization rate for research and development costs amounts to 55 percent (prior year: 52 percent). The import duties and consumption taxes incurred in the Chinese market also contributed to the decline in the gross margin.

Distribution expenses rose from 1,075 million euro to 1,257 million euro due to the higher volume of sales. Administrative expenses declined slightly from 792 million euro to 789 million euro. Distribution expenses remained with 7 percent and administrative expenses with 5 percent unchanged in relation to revenue.

The personnel expenses across all functions of the Porsche AG group increased from 1,865 million euro to 2,165 million euro. The average number of employees during the year rose by 2,746 to 21,303. The increase mainly results from the expansion of the number of employees at the Leipzig plant.

Depreciation and amortization across all functions increased to 1,878 million euro compared to 1,415 million euro in the prior year. This mainly relates to the amortization of development costs and depreciation of tools that are disclosed under other equipment, furniture and fixtures. Depreciation of leased assets also increased significantly.

Other operating income rose from 610 million euro to 895 million euro. The increase is mainly attributable to increased income from the reversal of provisions and accruals as well as higher income relating to forward exchange transactions. Other operating expenses rose from 351 million euro to 450 million euro. The increase mainly reflects higher expenses in connection with forward exchange transactions.

Operating profit amounts to 2,719 million euro, an increase of 140 million euro in comparison to the previous year.

The financial result amounts to 341 million euro (prior year: 205 million euro). This item includes income of 271 million euro relating to the change in accounting for the investment in Bertrandt AG using the equity method. In contrast, an increase was recorded in the expenses from fair value measurement relating principally to exchange rate and interest rate hedging transactions that are not included in hedge accounting.

The healthy cost structure and the sustainably high earnings power of the group are also reflected in the key performance indicators. The Porsche AG group achieved an operating return on sales of 16 percent in the past financial year (prior year: 18 percent). The pre-tax return on sales was 18 percent (prior year: 19 percent). The return on capital, defined as the ratio of the operating result after tax to the average invested assets of the automotive division, amounts to 27 percent (prior year: 30 percent). The post-tax return on equity was 24 percent (prior year: 24 percent).

RESULTS OF OPERATIONS OF THE PORSCHE AG GROUP

	FY 2014		FY 2013	
	€ million	%	€ million	%
Revenue	**17,205**	**100**	**14,326**	**100**
Cost of sales	– 12,885	– 75	– 10,139	– 71
Gross profit	**4,320**	**25**	**4,187**	**29**
Distribution expenses	– 1,257	– 7	– 1,075	– 7
Administrative expenses	– 789	– 5	– 792	– 5
Other operating income	895	6	610	4
Other operating expenses	– 450	– 3	– 351	– 3
Operating profit	**2,719**	**16**	**2,579**	**18**
Financial result	**341**	**2**	**205**	**1**
Profit before tax	**3,060**	**18**	**2,784**	**19**
Income tax	– 859	– 5	– 845	– 5
Profit after tax	**2,201**	**13**	**1,939**	**14**

FINANCIAL DATA

SUMMARY OF THE CONSOLIDATED FINANCIAL STATEMENTS OF PORSCHE AG WITHOUT THE NOTES

CONSOLIDATED INCOME STATEMENT

OF PORSCHE AG FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2014

€ million	FY 2014	FY 2013
Revenue	**17,205**	**14,326**
Cost of sales	– 12,885	– 10,139
Gross profit	**4,320**	**4,187**
Distribution expenses	– 1,257	– 1,075
Administrative expenses	– 789	– 792
Other operating income	895	610
Other operating expenses	– 450	– 351
Operating profit	**2,719**	**2,579**
Share of profits and losses of equity-accounted investments	– 1	–
Finance costs	– 203	– 217
Other financial result	545	422
Financial result	**341**	**205**
Profit before tax	**3,060**	**2,784**
Income tax	– 859	– 845
Profit after tax	**2,201**	**1,939**
thereof profit attributable to shareholders	2,199	1,939
thereof profit attributable to non-controlling interests	2	–
Profit transferred to Porsche Holding Stuttgart GmbH	– 1,230	– 1,414

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OF PORSCHE AG FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2014

€ million	FY 2014	FY 2013
Profit after tax	**2,201**	**1,939**
Revaluations from pension plans recognized in other comprehensive income		
Revaluations from pension plans recognized in other comprehensive income, before tax	–652	156
Deferred taxes relating to revaluations from pension plans recognized in other comprehensive income	194	–48
Revaluations from pension plans recognized in other comprehensive income, net of tax	**–458**	**108**
Items that will not be reclassified to profit or loss	**–458**	**108**
Exchange differences on translating foreign operations		
Unrealized currency gains/losses	103	–61
Transferred to profit or loss	–	–
Exchange differences on translating foreign operations, before tax	103	–61
Deferred taxes relating to exchange differences on translating foreign operations	–	–
Exchange differences on translating foreign operations, net of tax	**103**	**–61**
Cash flow hedges		
Fair value changes recognized in other comprehensive income	–1,029	568
Transferred to profit or loss	129	91
Cash flow hedges, before tax	–900	659
Deferred taxes relating to cash flow hedges	268	–197
Cash flow hedges, net of tax	**–632**	**462**
Available-for-sale financial assets		
Fair value changes recognized in other comprehensive income	13	89
Transferred to profit or loss	–271	–
Available-for-sale financial assets, before tax	–258	89
Deferred taxes relating to available-for-sale financial assets	4	–1
Available-for-sale financial assets, net of tax	**–254**	**88**
Items that may be reclassified subsequently to profit or loss	**–783**	**489**
Other comprehensive income, before tax	–1,707	843
Deferred taxes relating to other comprehensive income	466	–246
Other comprehensive income, net of tax	**–1,241**	**597**
Total comprehensive income	**960**	**2,536**
thereof attributable to shareholders	958	2,536
thereof attributable to non-controlling interests	2	–

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
OF PORSCHE AG AS OF DECEMBER 31, 2014

€ million	Dec. 31, 2014	Dec. 31, 2013
ASSETS		
Intangible assets	2,953	2,590
Property, plant and equipment	4,087	3,935
Equity-accounted investments	334	–
Other equity investments	23	306
Leased assets	2,294	1,708
Receivables from financial services	1,140	1,006
Other receivables and assets	8,372	8,657
Income tax assets	16	25
Deferred tax assets	562	165
Non-current assets	**19,781**	**18,392**
Inventories	2,157	1,589
Trade receivables	522	424
Receivables from financial services	556	544
Other receivables and assets	1,304	1,933
Income tax assets	141	54
Securities	39	54
Cash and cash equivalents	1,560	1,570
Current assets	**6,279**	**6,168**
	26,060	**24,560**
EQUITY AND LIABILITIES		
Subscribed capital	45	45
Capital reserves	7,150	6,321
Retained earnings	2,401	2,673
Equity before non-controlling interests	**9,596**	**9,039**
Non-controlling interests	3	–
Equity	**9,599**	**9,039**
Provisions for pensions and similar obligations	2,361	1,544
Income tax provisions	–	2
Other provisions	811	715
Deferred tax liabilities	684	719
Financial liabilities	3,469	3,725
Other liabilities	625	255
Non-current liabilities	**7,950**	**6,960**
Income tax provisions	80	52
Other provisions	1,337	1,214
Financial liabilities	1,884	2,946
Trade payables	1,856	1,485
Other liabilities	2,868	2,524
Income tax liabilities	486	340
Current liabilities	**8,511**	**8,561**
	26,060	**24,560**

CONSOLIDATED STATEMENT OF CASH FLOWS
OF PORSCHE AG FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2014

€ million	FY 2014	FY 2013
Profit before tax	3,060	2,784
Income taxes paid	– 784	– 351
Depreciation and amortization	1,878	1,415
Gain/loss on the disposal of intangible assets and property, plant and equipment	– 281	– 75
Share of profit or loss of equity-accounted investments	1	–
Other non-cash expense/income	254	22
Change in inventories	– 460	– 412
Change in receivables (excluding financial services)	– 586	– 127
Change in liabilities (excluding financial liabilities)	608	107
Change in pension provisions	164	125
Change in other provisions	195	106
Change in leased assets	– 775	– 753
Change in receivables from financial services	– 95	76
Cash flow from operating activities	**3,179**	**2,917**
Investments in intangible assets (excluding capitalized development costs) and property, plant and equipment	– 1,047	– 1,421
Additions to capitalized development costs	– 1,067	– 815
Change in equity investments	– 50	– 9
Cash received from disposal of intangible assets and property, plant and equipment	170	204
Change in investments in securities	14	– 1
Change in loans	– 268	– 48
Cash flow from investing activities	**– 2,248**	**– 2,090**
Capital contributions	829	–
Cash paid to shareholders	– 1,414	–
Proceeds from issuance of bonds	2,473	2,509
Repayment of bonds	– 2,228	– 2,193
Change in other financial liabilities	– 638	– 513
Cash flow from financing activities	**– 978**	**– 197**
Change in cash funds	– 47	630
Exchange-rate related change in cash funds	37	– 17
Cash and cash equivalents at the beginning of the period	1,570	957
Cash and cash equivalents at the end of the period	**1,560**	**1,570**
Cash and cash equivalents at the end of the period	1,560	1,570
Securities, loans and time deposits	526	1,398
Gross liquidity	**2,086**	**2,968**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OF PORSCHE AG FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2014

€ million	Subscribed capital	Capital reserve		Retained earnings						Equity before non-controlling interests	Non-controlling interests	Group equity
					Other comprehensive income							
				Accumulated profit	Revaluations from pension plan	Securities marked to market	Cash flow hedges	Currency translation	Equity-accounted investments			
As of January 1, 2013	**45**	**5,806**		**1,881**	**– 373**	**166**	**– 166**	**43**	**–**	**7,402**	**–**	**7,402**
Effects of currency translation	–	–		–	–	–	–	– 61	–	– 61	–	– 61
Revaluations from pension plans	–	–		–	156	–	–	–	–	156	–	156
Financial instruments pursuant to IAS 39	–	–		–	–	89	659	–	–	748	–	748
Taxes recognized in other comprehensive income	–	–		–	– 48	– 1	– 197	–	–	– 246	–	– 246
Other comprehensive income	–	–		–	108	88	462	– 61	–	597	–	597
Profit after tax	–	–		1,939	–	–	–	–	–	1,939	–	1,939
Total comprehensive income	–	–		1,939	108	88	462	– 61	–	2,536	–	2,536
Capital contribution	–	515		–	–	–	–	–	–	515	–	515
Profit transfer	–	–		– 1,414	–	–	–	–	–	– 1,414	–	– 1,414
As of December 31, 2013	**45**	**6,321**		**2,406**	**– 265**	**254**	**296**	**– 18**	**–**	**9,039**	**–**	**9,039**
As of January 1, 2014	**45**	**6,321**		**2,406**	**– 265**	**254**	**296**	**– 18**	**–**	**9,039**	**–**	**9,039**
Effects of currency translation	–	–		–	–	–	–	103	–	103	–	103
Revaluations from pension plans	–	–		–	– 652	–	–	–	–	– 652	–	– 652
Financial instruments pursuant to IAS 39	–	–		–	–	– 258	– 900	–	–	– 1,158	–	– 1,158
Taxes recognized in other comprehensive income	–	–		–	194	4	268	–	–	466	–	466
Other comprehensive income	–	–		–	– 458	– 254	– 632	103	–	– 1,241	–	– 1,241
Profit after tax	–	–		2,199	–	–	–	–	–	2,199	2	2,201
Total comprehensive income	–	–		2,199	– 458	– 254	– 632	103	–	958	2	960
Capital contribution	–	829		–	–	–	–	–	–	829	1	830
Profit transfer	–	–		– 1,230	–	–	–	–	–	– 1,230	–	– 1,230
As of December 31, 2014	**45**	**7,150**		**3,375**	**– 723**	**–**	**– 336**	**85**	**–**	**9,596**	**3**	**9,599**

FURTHER INFORMATION

EMISSION AND CONSUMPTION DATA

Model	Output (kW)	Output (hp)	Fuel consumption urban (l/100 km)	Fuel consumption extra-urban (l/100 km)	Fuel consumption combined (l/100 km)	CO_2-emissions combined (g/km)	CO_2-efficiency class (Germany)
Boxster	195	265	11.8	6.4	8.4	195	G
Boxster PDK	195	265	10.9	6.2	7.9	183	F
Boxster S	232	315	12.7	7.1	9.0	211	G
Boxster S PDK	232	315	11.4	6.3	8.2	190	F
Boxster GTS	243	330	12.7	7.1	9.0	211	G
Boxster GTS PDK	243	330	11.4	6.3	8.2	190	F
Cayman	202	275	11.8	6.4	8.4	195	G
Cayman PDK	202	275	10.9	6.2	7.9	183	F
Cayman S	239	325	12.7	7.1	9.0	211	G
Cayman S PDK	239	325	11.4	6.3	8.2	190	F
Cayman GTS	250	340	12.7	7.1	9.0	211	G
Cayman GTS PDK	250	340	11.4	6.3	8.2	190	F
Cayman GT4	283	385	14.8	7.8	10.3	238	G
911 Carrera	257	350	12.4	7.0	9.0	211	G
911 Carrera PDK	257	350	11.3	6.6	8.2	191	F
911 Carrera S	294	400	13.3	7.3	9.5	223	G
911 Carrera S PDK	294	400	12.1	6.7	8.7	202	G
911 Carrera GTS	316	430	13.7	7.5	9.5	223	G
911 Carrera GTS PDK	316	430	12.2	6.7	8.7	202	F
911 Carrera Cabriolet	257	350	12.7	7.2	9.2	216	G
911 Carrera Cabriolet PDK	257	350	11.5	6.7	8.4	195	F
911 Carrera S Cabriolet	294	400	13.6	7.5	9.7	228	G
911 Carrera S Cabriolet PDK	294	400	12.2	6.9	8.9	207	F
911 Carrera GTS Cabriolet	316	430	13.7	7.6	9.7	228	G
911 Carrera GTS Cabriolet PDK	316	430	12.3	6.9	8.9	207	F
911 Carrera 4	257	350	12.9	7.4	9.3	218	G
911 Carrera 4 PDK	257	350	11.7	6.8	8.6	200	F
911 Carrera 4S	294	400	13.8	7.6	9.9	233	G
911 Carrera 4S PDK	294	400	12.4	7.0	9.1	212	G
911 Carrera 4 GTS	316	430	13.8	7.7	9.9	233	G
911 Carrera 4 GTS PDK	316	430	12.5	7.1	9.1	212	G
911 Carrera 4 Cabriolet	257	350	13.1	7.5	9.5	223	G
911 Carrera 4 Cabriolet PDK	257	350	11.8	6.9	8.7	202	F
911 Carrera 4S Cabriolet	294	400	13.9	7.7	10.0	235	G
911 Carrera 4S Cabriolet PDK	294	400	12.5	7.1	9.2	214	F
911 Carrera 4 GTS Cabriolet	316	430	13.9	7.7	10.0	235	G
911 Carrera 4 GTS Cabriolet PDK	316	430	12.5	7.1	9.2	214	F
911 Targa 4	257	350	13.1	7.5	9.5	223	G
911 Targa 4 PDK	257	350	11.8	6.9	8.7	204	F
911 Targa 4S	294	400	13.9	7.7	10.0	237	G
911 Targa 4S PDK	294	400	12.5	7.1	9.2	214	F
911 Targa 4 GTS	316	430	13.9	7.7	10.0	237	G
911 Targa 4 GTS PDK	316	430	12.5	7.1	9.2	214	F

Model	Output (kW)	Output (hp)	Fuel consumption urban (l/100 km)	Fuel consumption extra-urban (l/100 km)	Fuel consumption combined (l/100 km)	CO_2-emissions combined (g/km)	CO_2-efficiency class (Germany)
911 Turbo	383	520	13.2	7.7	9.7	227	G
911 Turbo S	412	560	13.2	7.7	9.7	227	G
911 Turbo Cabriolet	383	520	13.4	7.8	9.9	231	G
911 Turbo S Cabriolet	412	560	13.4	7.8	9.9	231	G
911 GT3	350	475	18.9	8.9	12.4	289	G
911 GT3 RS	368	500	19.2	8.9	12.7	296	G
Panamera	228	310	11.4	6.9	8.5	199	D
Panamera Diesel	221	300	7.7	5.6	6.4	169	B
Panamera 4	228	310	11.6	7.2	8.8	206	E
Panamera S	309	420	12.1	7.1	8.9	207	E
Panamera 4S	309	420	12.4	7.3	9.1	211	E
Panamera 4S Executive	309	420	12.5	7.4	9.2	213	D
Panamera GTS	324	440	15.2	7.5	10.3	239	F
Panamera Turbo	382	520	14.9	7.8	10.4	242	F
Panamera Turbo Executive	382	520	15.1	7.9	10.5	245	E
Panamera Turbo S	419	570	14.9	7.8	10.4	242	F
Panamera Turbo S Executive	419	570	15.1	7.9	10.5	245	E
Panamera Exclusive Series	419	570	15.1	7.9	10.5	245	E
Macan S	250	340	11.6–11.3[1]	7.6–7.3[1]	9.0–8.7[1]	212–204[1]	E–D
Macan S Diesel	190	258	6.9–6.7[1]	5.9–5.7[1]	6.3–6.1[1]	164–159[1]	B
Macan Turbo	294	400	11.8–11.5[1]	7.8–7.5[1]	9.2–8.9[1]	216–208[1]	E–D
Cayenne	220	300	12.3	7.5	9.2	215	D
Cayenne Diesel	193	262	7.8–7.6[1]	6.2–6.0[1]	6.8–6.6[1]	179–173[1]	B
Cayenne S	309	420	13.0–12.4[1]	8.0–7.8[1]	9.8–9.5[1]	229–223[1]	E–D
Cayenne S Diesel	283	385	10.0	7.0	8.0	209	C
Cayenne GTS	324	440	13.2–12.9[1]	8.3–8.1[1]	10.0–9.8[1]	234–228[1]	E–D
Cayenne Turbo	382	520	15.9–15.5[1]	8.9–8.7[1]	11.5–11.2[1]	267–261[1]	F
Cayenne Turbo S	419	570	15.9	8.9	11.5	267	F

Plug-in hybrid

Model	Output (kW)[2]	Output (hp)[2]		Power consumption (kWh/100 km)	Fuel consumption combined (l/100 km)	CO_2-emissions combined (g/km)	CO_2-efficiency class (Germany)
Cayenne S E-Hybrid	306	416		20.8	3.4	79	A+
Panamera S E-Hybrid	306	416		16.2	3.1	71	A+
918 Spyder	652	887		12.7	3.1	72	A+
918 Spyder mit Weissach Paket	652	887		12.7	3.0	70	A+

[1] Versatility depending on the tyre set used
[2] Overall performance

KEY PERFORMANCE INDICATORS OF THE PORSCHE AG GROUP

		2014	2013	2012
Deliveries	units	**189,849**	**162,145**	**141,075**
911	units	30,510	30,205	25,457
918 Spyder	units	301	–	–
Boxster/Cayman	units	23,597	25,704	11,825
Macan	units	44,636	–	–
Cayenne	units	65,941	84,041	74,763
Panamera	units	24,864	22,032	29,030
Production	units	**203,097**	**165,808**	**151,999**
911	units	31,590	29,751	28,419
918 Spyder	units	545	35	–
Boxster/Cayman	units	23,211	28,996	13,316
Macan	units	59,363	312	–
Cayenne	units	66,005	81,916	83,208
Panamera	units	22,383	24,798	27,056
Employees[1]	number	**22,401**	**19,456**	**17,502**
Personnel expenses	€ million	2,165	1,865	1,658
Revenue	€ million	**17,205**	**14,326**	**13,865**
Financials				
Total assets	€ million	26,060	24,560	22,747
Equity	€ million	9,599	9,039	7,402
Fixed assets	€ million	9,691	8,539	7,083
Capital expenditure[2]	€ million	2,114	2,236	1,873
Cost of materials	€ million	10,405	8,282	8,124
Depreciation and amortization	€ million	1,878	1,415	1,114
Cash flow from operating activities	€ million	3,179	2,917	2,692
Operating result (EBIT)	€ million	2,719	2,579	2,429
Profit before tax	€ million	3,060	2,784	2,638
Profit after tax	€ million	2,201	1,939	1,833

[1] As of December 31.
[2] Relates to investments in intangible assets and property, plant and equipment.

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Porscheplatz 1
D – 70435 Stuttgart
Germany

Phone: +49 711 911-0
Web: www.porsche.com

MANAGERS AND CONTACT PERSONS

Hans-Gerd Bode, Vice President Communications
Frank Scholtys, Director Financial Press and Investor Relations

CONCEPT & DESIGN

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PHOTOGRAPHY

Markus Altmann, Berlin
Natalie Ginele Miller, Chicago
Klaus Hepp, Weil der Stadt
Markus Leser, Bad Waldsee
Marco Prosch, Halle
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DR. ING. H.C. F. PORSCHE AG
BOX
D – 70432 STUTTGART – GERMANY
PHONE +49 711 911 - 0